

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 31st day of May 1937:

Harley K. Nauman	Curtis H. Hutchings
Brown Taylor	Wilbur H. Cheney, Jr.
Cedric W. Stirling	Robert E. Wheeler
Albert L. Becker	William N. Deragon
Eugene C. Rider	Robert A. Chandler
Ernest E. Christensen	Robert B. Crowell
George E. T. Parsons	Raymond Payne
Harry L. Thompson, Jr.	Edward J. Mulquin
Allyn Cole, Jr.	Francis E. Fleck, Jr.
Lowell S. Price	Thomas W. South, 2d
George M. Clifford	James E. Vose, Jr.
Edgar J. Hailey	John L. Foster
Richard H. O'Kane	Russell B. Allen

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, from the 30th day of June 1936:

William D. Davis
Hardy V. Hughens
Henry Charles Weber

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, from the 3d day of June 1937:

Roger D. Mackey	Maurice S. Mathis
Paul P. Maher	William W. Hall
Frederick W. Muller	

The following-named assistant surgeons to be passed assistant surgeons in the Navy, with the rank of lieutenant, from the 3d day of June 1937:

Clark G. Grazier
Adrian J. Delaney
James A. Price

CONFIRMATIONS

Executive nominations confirmed by the Senate June 28 (legislative day of June 15), 1937

DIPLOMATIC AND FOREIGN SERVICE

TO BE FOREIGN SERVICE OFFICERS, UNCLASSIFIED, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE

W. Stratton Anderson, Jr.	Gordon H. Mattison
William Barnes, 3d	Roy M. Melbourne
Aaron S. Brown	John F. Melby
Harlan B. Clark	Herbert V. Olds
William E. Cole, Jr.	Elim O'Shaughnessy
J. Dixon Edwards	Paul Paddock
Herbert P. Fales	Henry V. Poor
Julie L. Goetzmann	G. Frederick Reinhardt
Edmund A. Gullion	Milton C. Rewinkel
Kingsley W. Hamilton	Walter Smith
Fred Harvey Harrington	Charles W. Thayer
Francis C. Jordan	Ray L. Thurston
G. Wallace LaRue	Evan M. Wilson
Perry Laukhuff	Glen W. Bruner

PUBLIC UTILITIES COMMISSION

Riley E. Elgen to be a member of the Public Utilities Commission.

WORKS PROGRESS ADMINISTRATION

Harry W. Witters to be State administrator in the Works Progress Administration for Vermont.

COAST AND GEODETIC SURVEY

Glenn William Moore to be aide (with relative rank of ensign in the Navy).

James Chisolm Tison, Jr., to be junior hydrographic and geodetic engineer (with relative rank of lieutenant, junior grade, in the Navy).

Clarence Robert Reed to be junior hydrographic and geodetic engineer (with relative rank of lieutenant, junior grade, in the Navy).

Kenneth Surrell Ulm to be junior hydrographic and geodetic engineer (with relative rank of lieutenant, junior grade, in the Navy).

Frank Gerard Johnson to be hydrographic and geodetic engineer (with relative rank of lieutenant in the Navy).

COAST GUARD OF THE UNITED STATES

Whitney M. Prall to be captain (engineering).

Rutherford B. Lank, Jr. to be constructor, with the rank of lieutenant commander.

Dale R. Simonson to be constructor, with the rank of lieutenant commander.

POSTMASTER

VIRGINIA

William A. Coates, Arlington.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 28, 1937

The House met at 12 o'clock noon.

Rt. Rev. Msgr. E. J. Connelly, pastor of St. Peter's Church, Washington, D. C., offered the following prayer:

We pray Thee, O God of might, wisdom, and justice, through whom authority is rightly administered, laws are enacted, and judgment decreed, assist with Thy Holy Spirit of counsel and fortitude this House of Representatives of the United States of America.

Let the light of Thy divine wisdom direct the deliberations of this honorable legislative body and shine forth in all the proceedings and laws framed for our rule and government so that they may tend to the preservation of peace, the promotion of national happiness, the increase of industry, sobriety, and useful knowledge, and may perpetuate to us the blessings of equal liberty. Amen.

The Journal of the proceedings of Thursday, June 24, 1937, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 9, 1937:

H. R. 3874. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.;

H. R. 4706. An act authorizing the State Roads Commission of the State of Maryland and the State Highway Department of the State of Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Point of Rocks in Frederick County and a point near the south end of Loudoun County to take the place of a bridge destroyed by flood in 1936;

H. R. 4801. An act authorizing the county of Wahkiakum, a legal political subdivision of the State of Washington, to construct, maintain, and operate a free highway bridge across the Columbia River between Puget Island and the mainland, Cathlamet, State of Washington;

H. R. 5467. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 1232. An act for the relief of John W. Bolin; and

H. R. 6293. An act to adjust the rank of certain Coast Guard officers on the retired list.

On June 10, 1937:

H. R. 5206. An act for the relief of Jacob G. Ackerman;

H. R. 1304. An act for the relief of John E. Sandage;

H. R. 2554. An act for the relief of Frank Cubero; and

H. R. 4809. An act to authorize the Works Progress Administration to land or give World War relics and other property at Fort Eustis, Va., to the American Legion Museum at Newport News, Va.

On June 11, 1937:

H. J. Res. 334. Joint resolution to protect the copyrights and patents of foreign exhibitors at the New York World's Fair, to be held at New York City, N. Y., in 1939;

H. R. 1759. An act for the relief of Minnie D. Hines;

H. R. 3963. An act for the relief of John Zarnick;
 H. R. 856. An act for the relief of First Lt. R. G. Cuno;
 H. R. 2360. An act for the relief of Carter R. Young;
 H. R. 2673. An act for the relief of Howard Hefner;
 H. R. 3841. An act for the relief of Col. J. P. Barney; and
 H. R. 5136. An act to authorize the acquisition of land for
 cemeterial purposes in the vicinity of San Francisco, Calif.

On June 14, 1937:

H. J. Res. 350. Joint resolution authorizing a modification
 in the existing project for the improvement of the Illinois
 Waterway, Ill., and the abandonment of a portion of the
 Calumet River;

H. R. 1502. An act to amend Public Law No. 626, Seventy-
 fourth Congress;

H. R. 1792. An act for the relief of John Kelley;

H. R. 3736. An act for the relief of Mr. and Mrs. Edward
 J. Pruett;

H. R. 4457. An act for the relief of Naomi Lee Young; and

H. R. 4508. An act for the relief of Margaret Grace and
 Alice Shriner.

On June 15, 1937:

H. R. 1013. An act for the relief of Irvin Pendleton;

H. R. 545. An act for the relief of Dean Scott;

H. R. 1084. An act for the relief of Samuel Cripps;

H. R. 2042. An act for the relief of Joshua L. Bach;

H. R. 3031. An act to provide for the establishment of
 Coast Guard stations along the Maine coast;

H. R. 3738. An act for the relief of Clifford Y. Long;

H. R. 3411. An act to amend section 112 of the Judicial
 Code to provide for the inclusion of Whitman County,
 Wash., in the northern division of the eastern district of
 Washington; and

H. R. 4893. An act authorizing the Secretary of the Treas-
 ury to establish a Coast Guard air station at the San Fran-
 cisco Airport, to provide for quick rescue facilities on the
 San Francisco Bay, to strengthen the Immigration and Cus-
 toms Service patrol, and for other purposes.

On June 16, 1937:

H. R. 5779. An act making appropriations for the Depart-
 ments of State and Justice and for the judiciary, and for
 the Departments of Commerce and Labor, for the fiscal
 year ending June 30, 1938, and for other purposes; and

H. R. 6438. An act to expedite the dispatch of vessels from
 certain ports of call.

On June 18, 1937:

H. J. Res. 335. Joint resolution authorizing the Secretary
 of War to receive for instruction at the United States Mil-
 itary Academy at West Point Olmedo Alfaro, a citizen of
 Ecuador.

On June 19, 1937:

H. J. Res. 339. Joint resolution granting permission to
 George E. Ijams, civilian employee of the Veterans' Admin-
 istration, to accept and wear the decoration bestowed upon
 him by the Republic of France;

H. R. 2080. An act for the relief of Eleanora S. Richard-
 son;

H. R. 2223. An act for the relief of Mr. and Mrs. Walter
 B. Johnson and Joy Johnson, a minor;

H. R. 2705. An act to provide for the manner of inflicting
 the punishment of death;

H. R. 4213. An act to amend the Inland Waterways Cor-
 poration Act, approved June 3, 1924, as amended, author-
 izing the Secretary of War to extend the services and opera-
 tions of the Inland Waterways Corporation to the Savannah
 River; and

H. R. 5721. An act to amend the Federal Register Act.

On June 22, 1937:

H. R. 1277. An act for the relief of William Hayes;

H. R. 2924. An act for the relief of certain officers and em-
 ployees of the Foreign Service of the United States who,
 while in the course of their respective duties, suffered losses
 of personal property by reason of war, catastrophes of na-
 ture, and other causes; and

H. R. 3203. An act for the relief of Rosalie Rose.

On June 23, 1937:

H. R. 2887. An act to amend the provisions of the pension
 laws for peacetime service to include Reserve officers and
 members of the Enlisted Reserves.

On June 24, 1937:

H. R. 3557. An act for the relief of the Coast Fir & Cedar
 Products Co., Inc.;

H. R. 4575. An act for the relief of A. R. Netterville, Sr.;

H. R. 5880. An act to amend Private Act No. 210, approved
 August 13, 1935, by substituting as payee therein the Clark
 Dredging Co. in lieu of the Bowers Southern Dredging Co.;
 and

H. R. 7519. An act to amend an act entitled "An act to
 establish a retirement system for employees of carriers sub-
 ject to the Interstate Commerce Act, and for other purposes",
 approved August 29, 1935.

On June 28, 1937:

H. R. 6551. An act to establish a Civilian Conservation
 Corps, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative
 clerk, announced that the Senate had passed without amend-
 ment a bill and joint resolution of the House of the following
 titles:

H. R. 7206. An act to permit the temporary entry into the
 United States under certain conditions of alien participants
 and officials of the World Association of Girl Guides and
 Girl Scouts Silver Jubilee Camp to be held in the United
 States in 1937; and

H. J. Res. 375. Joint resolution to provide revenue, and for
 other purposes.

The message also announced that the Senate had passed,
 with an amendment in which the concurrence of the House
 is requested, a bill of the House of the following title:

H. R. 5394. An act to provide for the acquisition of certain
 lands for, and the addition thereof to, the Yosemite National
 Park, in the State of California, and for other purposes.

The message also announced that the Senate had passed
 bills and a joint resolution of the following titles, in which
 the concurrence of the House is requested:

S. 2661. An act granting the consent of Congress to a com-
 pact entered into by the States of Maine and New Hampshire
 for the creation of the Maine-New Hampshire Interstate
 Bridge Authority;

S. 2662. An act authorizing the Maine-New Hampshire
 Interstate Bridge Authority to construct, maintain, and op-
 erate a toll bridge across the Piscataqua River at or near
 Portsmouth, State of New Hampshire;

S. 2681. An act to authorize the construction of the Colo-
 rado-Big Thompson project as a Federal reclamation
 project; and

S. J. Res. 164. Joint resolution to amend the joint resolu-
 tion establishing the George Rogers Clark Sesquicentennial
 Commission, approved May 23, 1928, as amended.

APPOINTMENT OF ADDITIONAL MANAGER ON THE PART OF THE HOUSE

Mr. SNYDER of Pennsylvania. Mr. Speaker, I ask unani-
 mous consent that the Speaker be authorized to appoint an
 additional manager on the part of the House at the confer-
 ence on the disagreeing votes of the two Houses on the bill
 (H. R. 6692) making appropriations for the Military Estab-
 lishment for the fiscal year ending June 30, 1938, and for
 other purposes.

The SPEAKER. The gentleman from Pennsylvania asks
 unanimous consent that the Chair appoint an additional
 manager on the part of the House on the conference on the
 disagreeing votes of the two Houses on the bill (H. R. 6692).

Is there objection to the request of the gentleman from
 Pennsylvania? [After a pause.] The Chair hears none
 and appoints the gentleman from Missouri [Mr. CANNON]
 as the additional member of the conference committee, and
 the Clerk will notify the Senate thereof.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to
 extend my own remarks in the RECORD and to include
 therein a radio address I delivered on yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BIGELOW. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative business, I may be permitted to address the House for 10 minutes following the previous orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, one of the most shocking incidents that has taken place in some time is the suggestion of the Secretary of Labor to the Governor of Ohio that he use the subpoena power of the State to put certain steel industry officials under duress and to close their plants by the State militia and maintain that status until the C. I. O. had extracted from them such contracts as it might desire.

If such an urge had come from any other member of the Cabinet or from any other responsible official of the Government, there would be a dozen resolutions offered here this morning asking for immediate investigation.

While we did not need this statement to know that the Secretary approves of the use of violence under some circumstances, we were not prepared to expect the advocacy of duress and extortion from one standing so high in the service of the Government.

Is it to be understood, Mr. Speaker, that this is an open declaration of war on the constitutional rights of the citizen? Is the Government to join hands with certain lawless labor groups in not only seizing the property of the employer but the person of the employer as well, and holding both until the employer surrenders all rights in having anything to do with the management of his own property? Whence come such doctrines as these? Are they not entirely foreign to our American way of doing things?

Mr. Speaker, this is no time for the suspension of public laws, but it is a time for rigid enforcement if this Government is to survive. [Applause.]

[Here the gavel fell.]

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. COLLINS. Mr. Speaker, I call up the conference report on the bill (H. R. 5996) making appropriations for the government of the District of Columbia for the fiscal year 1938, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5996) making appropriations for the government of the District of Columbia, and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1938, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 12, 16, 19, 20, 32, 33, 38, 40, 42, 43, 47, 48, 49, 53, 58, 61, 63, 65, 83, 84, 85, 86, 97, 100, 103, 109, 110, 115, 118, 121, 122, 123, 130, 135, 137, 138, 139, 142, and 150.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 6, 8, 11, 13, 14, 15, 17, 18, 24, 25, 26, 27, 28, 30, 31, 36, 37, 39, 41, 44, 46, 50, 51, 52, 57, 59, 60, 64, 67, 68, 69, 71, 72, 73, 74, 75, 77, 79, 88, 89, 91, 93, 94, 98, 101, 104, 106, 111, 116, 117, 120, 124, 125, 126, 128, 136, 140, 143, 144, 145, 147, and 148, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of

the sum proposed insert "\$221,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$98,060"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$110,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert "\$403,730"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$180,260"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$22,500"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$140,000"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$396,975"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "Not exceeding \$17,500 for the purchase of land for elementary school purposes in the vicinity of First and Pierce Streets Northwest;" and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$242,500"; and the Senate agree to the same.

Amendment numbered 82: That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "the area bounded by Seventh Street on the west and K Street on the south in Southwest Washington"; and the Senate agree to the same.

Amendment numbered 99: That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$442,640"; and the Senate agree to the same.

Amendment numbered 102: That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$29,000"; and the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"The unexpended balance of the appropriation of \$100,000 contained in the District of Columbia Appropriation Act for the fiscal year 1937 for the construction, repair, improvement, and extension of buildings at the National Training School for Girls, in accordance with plans to be approved by the Municipal Architect and the Commissioners; and for additional personnel and maintenance at that institution is hereby continued available during the fiscal year 1938."

And the Senate agree to the same.

Amendment numbered 107: That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$37,760"; and the Senate agree to the same.

Amendment numbered 108: That the House recede from its disagreement to the amendment of the Senate numbered 108, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$38,260"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$450,000"; and the Senate agree to the same.

Amendment numbered 129: That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$54,540"; and the Senate agree to the same.

Amendment numbered 131: That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "\$900,000: *Provided*, That appropriations contained in this

Act for highways, sewers, city refuse, and the water department shall be available for snow removal when specifically and in writing ordered by the Commissioners"; and the Senate agree to the same.

Amendment numbered 146: That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$367,800"; and the Senate agree to the same.

Amendment numbered 149: That the House recede from its disagreement to the amendment of the Senate numbered 149, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "In line 8 of the matter restored strike out '\$2,000' and insert in lieu thereof '\$2,600'"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 21, 22, 23, 34, 35, 55, 56, 76, 78, 87, 90, 92, 95, 96, 112, 113, 114, 119, 132, 133, 134, 141, and 151.

ROSS A. COLLINS,
MILLARD F. CALDWELL,
JOE STARNES,

Managers on the part of the House.

ELMER THOMAS,
CARTER GLASS,
ROYAL S. COPELAND,
WILLIAM H. KING,
GERALD P. NYE,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5996) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1938, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendment no. 1: Appropriates \$121,360, as proposed by the House, instead of \$122,860, as proposed by the Senate, for personal services in the building inspection division.

On amendments nos. 2 and 3: Appropriates a total of \$43,460, as proposed by the House, instead of \$43,960, as proposed by the Senate, for personal services in the plumbing inspection division.

On amendment no. 4: Appropriates \$20,500, as proposed by the Senate, instead of \$20,000, as proposed by the House, for smoke and boiler regulation.

On amendment no. 5: Appropriates \$96,700, as proposed by the Senate, instead of \$99,526, as proposed by the House, for personal services in connection with the care of buildings occupied by the District government.

On amendment no. 6: Appropriates \$30,000, as proposed by the Senate, instead of \$37,350, as proposed by the House, for fuel, light, power, etc., in connection with the operation and maintenance of certain buildings occupied by the District government.

On amendment no. 7: Appropriates \$221,000 for personal services in the assessor's office, instead of \$209,920, as proposed by the House, and \$223,500, as proposed by the Senate, \$10,080 being provided for the license bureau and an increase of \$1,000 above the amount of the bill as originally passed by the House being provided to meet a shortage in the pay roll of this office.

On amendment no. 8: Appropriates \$47,900, as proposed by the Senate, instead of \$47,020, as proposed by the House, for personal services in the collector's office.

On amendment no. 10: Appropriates \$98,060 for the office of the corporation counsel, instead of \$113,360, as proposed by the House, and \$102,580, as proposed by the Senate.

On amendment no. 11: Eliminates, as proposed by the Senate, language inserted by the House fixing the salaries of two inspectors in the field at \$2,300 each.

On amendment no. 12: Appropriates \$10,600, as proposed by the House, instead of \$12,040, as proposed by the Senate, for personal services in the coroner's office.

On amendment no. 13: Appropriates \$53,800, as proposed by the Senate, instead of \$63,880, as proposed by the House for the office of weights, measures, and markets, the reduction of \$10,080 in the bill as passed by the House being accounted for by the transfer of that sum to the assessor's office as provided under amendment no. 7.

On amendment no. 14: Eliminates the word "temporary" as proposed by the Senate.

On amendment no. 15: Appropriates \$57,980, as proposed by the Senate, instead of \$56,980, as proposed by the House, for personal service in the municipal architect's office.

On amendments nos. 16 and 17: Appropriates \$61,500, as proposed by the House, instead of \$69,000, as proposed by the Senate, for personal services for the Public Utilities Commission; and appropriates \$1,500, as proposed by the Senate, instead of \$1,000, as proposed by the House, for incidental necessary expenses of the Commission.

On amendment no. 18: Eliminates the House provision authorizing the Public Utilities Commission to make an investigation of the Chesapeake & Potomac Telephone Co. with a view to ascertaining the reasonableness of existing rates, tolls, charges, and services, as proposed by the Senate.

On amendment no. 19: Appropriates \$29,220, and provides \$4,600 for a fire-insurance rate expert, as proposed by the House, instead of an appropriation of \$24,980, as proposed by the Senate.

On amendment no. 20: Appropriates \$79,000, as proposed by the House, instead of \$80,000, as proposed by the Senate, for personal services in the Surveyor's Office.

On amendments nos. 24, 25, 26, and 27, relating to the Department of Vehicles and Traffic: Appropriates \$82,440, for personal services, \$93,000, for purchase, installation, and modification of electric traffic lights, etc., and \$20,000 for the purchase of motor-vehicle identification number plates, as proposed by the Senate in each instance.

On amendment no. 28: Appropriates \$74,940, as proposed by the Senate, instead of \$73,500, as proposed by the House, for personal services for the Register of Wills.

On amendments nos. 29, 30, and 31, relating to the office of the recorder of deeds: Appropriates \$110,000 for personal services, instead of \$106,020, as proposed by the House, and \$114,580, as proposed by the Senate; appropriates \$12,500 for contingent expenses, as proposed by the Senate, instead of \$10,000, as proposed by the House; and appropriates \$14,000 for rent of offices of the recorder, as proposed by the Senate, instead of \$12,600, as proposed by the House.

On amendments nos. 32 and 33: Appropriates \$29,050, as proposed by the House, instead of \$29,550, as proposed by the Senate, and eliminates \$500 for law books for the office of the corporation counsel, as proposed by the House.

On amendment no. 36: Appropriates \$10,296 for allowances for privately owned motor vehicles used in the performance of official duties, as proposed by the Senate.

On amendment no. 37: Authorizes the use of \$8,900 for transportation of employees on official business, as proposed by the Senate, instead of \$10,400, as proposed by the House.

On amendments nos. 38, 39, 40, and 41, relating to the sewer department: Appropriates \$180,030, as proposed by the House, instead of \$183,000, as proposed by the Senate, for personal services; appropriates \$245,000, as proposed by the Senate, instead of \$235,000, as proposed by the House, for cleaning and repairing sewers; appropriates \$150,000, as proposed by the House, instead of \$175,000, as proposed by the Senate, for suburban sewers; and appropriates \$160,000, as proposed by the Senate, instead of \$150,000, as proposed by the House, for operation and maintenance of the sewage-treatment plant.

On amendments nos. 42, 43, 44, 45, and 46, relating to the collection and disposal of refuse: Appropriates \$130,000, as proposed by the House, instead of \$134,000, as proposed by the Senate, for personal services; eliminates language providing for snow and ice removal from the streets and sidewalks and a related proviso authorizing the use of various funds therefor, as proposed by the House; eliminates \$5,620 for the purchase of one street flusher, as proposed by the Senate; appropriates a total of \$403,730, instead of \$400,000 as proposed by the House and \$409,350 as proposed by the Senate, for dust prevention and cleaning of streets; and appropriates \$850,000, as proposed by the Senate, instead of \$825,000, as proposed by the House, for the collection and disposal of garbage.

On amendments nos. 47, 48, and 49, relating to appropriations for trees and parkings: Eliminates \$26,600 for personal services and \$100,000 for contingent expenses, funds therefor being provided under amendments nos. 138 and 139, as proposed by the House.

On amendments nos. 50, 51, and 52, relating to public playgrounds: Appropriates \$127,780, as proposed by the Senate, instead of \$75,015, as proposed by the House, for personal services; provides \$40,800 for general maintenance, as proposed by the Senate, instead of \$25,700, as proposed by the House; and appropriates \$29,700 for keeping open during the summer months public-school playgrounds, as proposed by the Senate.

On amendment no. 53: Appropriates \$683,800 for administrative and supervisory officers in the public schools, as proposed by the House, instead of \$687,000, as proposed by the Senate.

On amendment no. 54: Appropriates \$180,260 for clerks and other employees of the public schools, instead of \$175,940, as proposed by the House, and \$190,240, as proposed by the Senate.

On amendment no. 57: Eliminates the proviso contained in the House bill prohibiting the performance of clerical work other than that necessary to the regular classroom-teaching assignment, as proposed by the Senate.

On amendment no. 58: Restores the provision contained in the House bill and eliminated by the Senate regarding the salaries paid librarians in the public schools.

On amendment no. 59: Appropriates \$102,180, as proposed by the Senate, instead of \$94,180, as proposed by the House, for night schools.

On amendment no. 60: Appropriates \$102,000, as proposed by the Senate, for the community center department of the public schools and inserts the language contained in the Senate amendment, instead of \$216,565, as proposed by the House.

On amendment no. 61: Appropriates \$942,705, as proposed by the House, instead of \$949,430, as proposed by the Senate, for personal services in connection with the care of buildings and grounds.

On amendments nos. 62, 63, 64, 65, 66, 67, 68, 69, 70, and 71, relating to miscellaneous items under the public schools: Appropriates \$22,500 for transportation of tubercular, crippled, and sight-conservation pupils, instead of \$20,000, as proposed by the House, and \$25,000, as proposed by the Senate; strikes out \$2,000,

inserted by the Senate, for the transportation of pupils in Bradbury Heights; appropriates \$64,000, as proposed by the Senate, instead of \$60,000, as proposed by the House, for manual- and vocational-training equipment; appropriates \$10,000 as proposed by the House, instead of \$14,800, as proposed by the Senate, for furniture for the Phelps vocational school and appropriates a total of \$140,000 for contingent expenses, instead of \$133,500, as proposed by the House, and \$150,600, as proposed by the Senate; appropriates \$16,400 for apparatus for laboratories in the high, junior high, vocational schools, and teachers' colleges, instead of \$15,000, as proposed by the House; appropriates \$2,400, as proposed by the Senate, for school gardens; appropriates \$396,975 for repairs and improvements to school buildings and grounds, instead of \$379,000, as proposed by the House, and \$414,475, as proposed by the Senate, the increase of \$17,975 over the original amount proposed by the House being provided for the replacement of heating plants at the Amidon and Pierce Schools and \$975 for the purchase of one motor truck; and appropriates, as proposed by the Senate, \$7,000 for equipment of school yards.

On amendments nos. 72, 73, 74, 75, 77, 79, 80, 81, and 82, relating to school buildings and grounds: Appropriates \$300,000 for the Thomas Jefferson Memorial Junior High School and Library, and provides \$16,800 for plans and specifications, as proposed by the Senate; appropriates \$350,000, and provides \$28,300 for plans and specifications, as proposed by the Senate; eliminates, as proposed by the Senate, the provision of the House appropriating \$8,000 for two portable school buildings in Bradbury Heights; provides for the purchase of land adjoining the site of the old Dennison School; provides not exceeding \$17,500 for the purchase of land for school purposes in the vicinity of First and Pierce Streets NW., as proposed by the Senate; and restricts to the area bounded by Seventh Street on the west and K Street on the south, on which the proposed Jefferson Junior High School may be constructed, instead of the restrictions proposed in this connection by the House and the Senate.

On amendments 83, 84, and 85, relating to the Metropolitan Police: Appropriates \$3,386,730, as proposed by the House, instead of \$3,387,450, as proposed by the Senate; eliminates the language proposed by the Senate authorizing the purchase of horses; and appropriates \$68,375, as proposed by the House, instead of \$73,175, as proposed by the Senate, for contingent expenses, in denying funds for the purchase and maintenance of horses.

On amendment no. 86: Appropriates \$2,211,900, as proposed by the House, instead of \$2,225,000, as proposed by the Senate, for salaries, fire department.

On amendments nos. 88 and 89, relating to the tuberculosis sanatoria: Appropriates \$325,440, as proposed by the Senate, instead of \$304,963, as proposed by the House, for personal services; and appropriates \$203,000, as proposed by the Senate, instead of \$177,000, as proposed by the House for supplies, maintenance, etc.

On amendment no. 91: Appropriates \$270,000, as proposed by the Senate, instead of \$250,000, as proposed by the House, for maintenance of Gallinger Municipal Hospital.

On amendments nos. 93 and 94, relating to the police court: Appropriates \$114,530, as proposed by the Senate, instead of \$107,030, as proposed by the House, for personal services; and appropriates \$11,600, as proposed by the Senate, instead of \$4,250, as proposed by the House, for supplies, maintenance, etc.

On amendment no. 97: Strikes out the proposal of the Senate that certain percentages of the cost of operation of the district court and the court of appeals shall be paid by the Federal Government.

On amendment no. 98: Appropriates \$38,000 for operation of the receiving home, as proposed by the Senate, instead of providing \$12,000 for the operation of boarding homes, as proposed by the House.

Amendments nos. 99, 100, 101, and 102 relating to the Workhouse and Reformatory: Appropriates \$442,640 for personal services instead of \$422,300, as proposed by the House, and \$462,980, as proposed by the Senate; restores the language of the House providing for the purchase of one motorbus instead of the language proposed by the Senate; inserts the language proposed by the Senate for the purchase of uniforms and caps for guards; appropriates \$437,500 for maintenance and support of inmates, as proposed by the Senate, instead of \$414,300, as proposed by the House; and appropriates \$29,000 for the replacement of defective wiring, instead of \$37,000, as proposed by the Senate.

Amendments nos. 103, 104, and 105, relating to the National Training School for Girls: Appropriates \$31,500, as proposed by the House, instead of \$33,500, as proposed by the Senate, for personal services; appropriates \$30,000, as proposed by the Senate, instead of \$27,500, as proposed by the House, for maintenance; and inserts the proposal of the Senate continuing an unexpended balance for construction, etc.

On amendment no. 106: Appropriates \$104,270, as proposed by the Senate, instead of \$99,270, as proposed by the House, for personal services at the District training school.

On amendments nos. 107, 108, and 109, relating to the Industrial Home School for Colored Children: Appropriates \$38,260 for personal services, instead of \$40,300 as proposed by the Senate and \$36,470 as proposed by the House; and appropriates \$25,500, as proposed by the House, for maintenance, instead of \$30,000, as proposed by the Senate.

On amendment no. 110: Appropriates \$1,411,500, with a limitation of 10 percent on the amount of funds available for personal services, in connection with public assistance, as proposed by the House, instead of \$1,465,000, with a limitation of \$200,000 for personal services, as proposed by the Senate.

On amendment no. 111: Corrects the title of the Needy Blind Act, as proposed by the Senate.

On amendments nos. 115, 116, and 117, relating to public parks: Appropriates \$351,910 for personal services, National Capital Parks, as proposed by the House, instead of \$354,490, as proposed by the Senate; removes the limitation on the amount available for placing and maintaining the parks in condition for outdoor sports, as proposed by the Senate, and appropriates \$382,500 for maintenance of parks, as proposed by the Senate, instead of \$373,500, as proposed by the House.

On amendment no. 118: Appropriates \$175,470, as proposed by the House, instead of \$179,270, as proposed by the Senate, for salaries of Park Police.

On amendments nos. 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 135, 136, 137, 138, 139, 140, and 142, relating to appropriations from the gasoline-tax fund: Appropriates \$251,000 for personal services, as proposed by the Senate, instead of \$243,280, as proposed by the House; provides for "per diem services" from miscellaneous street appropriations, as proposed by the House, instead of "personal services", as proposed by the Senate; appropriates \$126,600 for trees and parkings, and \$150,000 for assessment and permit work under the permit system; as proposed by the House, inserts \$24,200 for the paving of Western Avenue, and \$6,000 for the paving of Elder Street, as proposed by the Senate; appropriates \$200,000, as proposed by the Senate, instead of \$175,000, as proposed by the House, for the construction of curbs and gutters; appropriates \$450,000 for the surfacing and resurfacing of pavements, instead of \$400,000, as proposed by the House and \$475,000, as proposed by the Senate; appropriates \$54,540, for the construction and maintenance of bridges; restores the language inserted by the House and eliminated by the Senate, providing for snow and ice removal and, in the same paragraph, appropriates \$900,000 for the repair of streets, as proposed by the Senate, instead of \$800,000, as proposed by the House; strikes out the item inserted by the Senate appropriating \$325,000 for beginning construction of the Pennsylvania Avenue Bridge; provides that appropriations for the purchase of land for widening streets, etc., shall remain available until June 30, 1939; and eliminates the appropriation for the purchase and installation of traffic lights, which has been provided for under amendment no. 26.

On amendments nos. 143, 144, 145, 146, and 147, relating to the water department: Appropriates \$540,000 for the Washington aqueduct, as proposed by the Senate, instead of \$470,000, as proposed by the House; appropriates \$367,800, for maintenance of the water department distribution system, instead of \$366,000, as proposed by the House and \$372,300, as proposed by the Senate; and authorizes the Treasurer of the United States to invest certain funds of the District of Columbia, as proposed by the Senate.

On amendment no. 148: Eliminates the provision of the House requiring that per-diem employees be paid only for time actually worked, as proposed by the Senate.

On amendment no. 149: Restores the provision of the House prohibiting the reallocation of the positions of employees and raises the limitations of \$2,000 fixed in the House bill to \$2,600.

On amendment no. 150: Restores the limitation on the issuance of congressional tags as provided in the House bill.

The committee of conference report in disagreement the following amendments of the Senate:

On amendment no. 9: Relating to the appropriation for the auditor's office.

On amendments nos. 21, 22, and 23: Relating to appropriations for the Minimum Wage Board.

On amendments nos. 34 and 35: Relating to advertising in newspapers.

On amendments nos. 55 and 56: Relating to health and physical education teachers and the appropriation for teachers and librarians in the public schools.

On amendments nos. 76 and 78: Relating to the appropriation for the Banneker Junior High School.

On amendment no. 87: Relating to the transfer of certain hospitals to the Health Department.

On amendment no. 90: Relating to the appropriation for personal services, Gallinger Municipal Hospital.

On amendment no. 92: Relating to the appropriation for construction of a health center.

On amendments nos. 95 and 96: Relating to the appointment of a marshal for the Court of Appeals.

On amendment no. 112: Relating to the appropriation for the Columbia Polytechnic Institute.

On amendments nos. 113 and 114: Relating to the appropriation for the relief of the poor.

On amendment no. 119: Authorizing the purchase of supplies and services by the National Capital Park and Planning Commission without advertising when such purchase does not exceed \$50.

On amendment no. 132: Relating to the purchase of a municipal asphalt plant.

On amendments nos. 133 and 134: Relating to the replacement of Chain Bridge.

On amendment no. 141: Correcting a total.

On amendment no. 151: Authorizing that credit be allowed in the accounts of the District of Columbia for certain disbursements made from the appropriation "Refund of erroneously paid taxes, District of Columbia."

ROSS A. COLLINS,
MILLARD F. CALDWELL,
JOE STARNES,

Managers on the part of the House.

Mr. COLLINS. Mr. Speaker, I move the adoption of the conference report.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. RICH. What is the total amount of this bill to date, after the report of the conferees?

Mr. COLLINS. The amount of the bill as agreed to by the conferees is \$45,915,641, which is \$680,000 below the Budget.

Mr. RICH. The gentleman realizes that is about \$700,000 more than the bill carried when it passed the House.

Mr. COLLINS. Yes; about \$700,000.

Mr. RICH. As the bill passed the House it was \$45,228,224, and if it carries \$45,915,641 now, it shows an increase of about \$700,000.

Mr. COLLINS. The Senate increased it \$1,513,000, and the House decreased the Senate figures by \$689,000.

Mr. RICH. The fact of the matter is that it is an increase over what it was when the bill left the House.

Mr. COLLINS. Yes; it is about a 50-50 division.

Mr. RICH. Mr. Speaker, the President of the United States says that we are going to economize on the 1938 Budget. I call the attention of the gentleman and Members of the House to what the status of the Treasury is now and to the appropriations for 1938, to show that they are in excess of what they were for 1937. The receipts up to June 23 this year have been \$5,192,836,572, while the expenditures have been \$7,967,861,267. Up to June 23 of this year you have spent \$2,775,024,694 more than you have received as per Treasury statement. This does not take into effect the revolving funds spent this year not accounted for in the Treasury statement amounting to over \$998,000,000, which makes the deficit on the year of over \$3,770,000,000. Your appropriations for 1938 are in excess of your appropriations for 1937. If you talk about trying to economize, and if you figure you are going to get a balanced Budget, you are never going to get them and do the things you are now doing.

Mr. COLLINS. Mr. Speaker, I decline to yield further.

Mr. RICH. Mr. Speaker, the Members want to hear this.

The SPEAKER. The gentleman refuses to yield further.

Mr. RICH. The House ought to get this information; they need it, and they do not like to hear it because it makes them feel bad; would that they would take it to heart. Where will they get the money?

The SPEAKER. The question is on the motion of the gentleman from Mississippi to agree to the conference report.

The motion was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Page 5, line 8, strike out "\$136,700, of which \$10,000 shall be available immediately for examination of estimates of appropriations, and for other purposes."

Mr. COLLINS. Mr. Speaker, I move that the House recede and concur with an amendment which I send to the desk.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the amendment of the Senate no. 9, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "\$131,700, of which \$5,000 shall be available without reference to the Classification Act of 1923, as amended, and civil-service requirements for examination of estimates of appropriations and for other purposes."

The SPEAKER. The question is on the motion of the gentleman from Mississippi.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 21: Page 8, line 21, insert "Minimum Wage Board."

Mr. COLLINS. Mr. Speaker, I move that the House recede and concur.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the amendment of the Senate no. 21, and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 22: Page 8, after line 21, insert: "For personal services in accordance with the Classification Act of 1923, as amended, \$12,170."

Mr. COLLINS. Mr. Speaker, I move to recede and concur with an amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the amendment of the Senate no. 22, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"For personal services, including not to exceed \$2,500 for the secretary of the Board, \$8,040."

The SPEAKER. The question is on the motion of the gentleman from Mississippi.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COLLINS. I yield.

Mr. RICH. Is this an increase in salary for some official of the Government?

Mr. COLLINS. No; the Senate proposed certain salaries in the Minimum Wage Board, including a clerk and stenographer and secretary, and so on. The House conferees insisted that the figures were too high, and they were reduced by about one-half.

Mr. RICH. Did the conferees on the part of the House agree to all proposals that the gentleman is submitting here?

Mr. COLLINS. Every proposal incorporated in this report is the unanimous report of the Senate and House conferees.

The SPEAKER. The question is on the motion of the gentleman from Mississippi [Mr. COLLINS].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 23: Page 8, after line 23, insert: "For contingent and miscellaneous expenses, including purchase of equipment, printing and binding, office equipment, telephone rental, postage, and other necessary items, \$2,150."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment no. 23 and agree to the same with an amendment.

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the amendment of the Senate no. 23 and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"For equipment, transportation, and other necessary expenses, \$575."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 34: Page 13, line 14, insert: "Provided, That this appropriation shall not be available for the payment of advertising in newspapers published outside of the District of Columbia, notwithstanding the requirement for such advertising provided by existing law."

Mr. COLLINS. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 34: Page 13, after line 22, insert a colon and the following: "Provided, That this appropriation shall not be available for the payment of advertising the delinquent tax list for more than once a week for 2 weeks in the regular issue of one

morning or one evening newspaper published in the District of Columbia, notwithstanding the provisions of existing law."

Mr. COLLINS. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 55: Page 25, after the word "twelve", in line 24, insert "and including \$10,000 for health and physical education teachers to supervise play in schools of the central area, bounded by North Capitol Street on the east, Florida Avenue on the north, the Mall on the south, and Twelfth Street on the west."

Mr. COLLINS. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 56: Page 26, line 5, strike out "\$7,157,820" and insert "\$7,223,220."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 56, and agree to the same with an amendment.

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the Senate amendment no. 56 and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$7,165,820."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 76: Page 36, after line 15, insert the following:

"For the erection of a junior high school building on a portion of the site of the existing Banneker Playground, \$200,000, of which sum \$15,217 shall be available for the preparation of plans, specifications, and administration, and the Commissioners are authorized to enter into contract or contracts for such building at a cost not to exceed \$724,650."

Mr. COLLINS. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 78: Page 37, line 5, strike out "\$1,548,000" and insert "\$1,540,000."

Mr. COLLINS. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 87: Page 48, line 13, after the word "sanatoria", insert the following: "which, on and after July 1, 1937, shall be under the direction and control of the health department of the District of Columbia and subject to the supervision of the Board of Commissioners."

Mr. COLLINS. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 90: Page 49, line 5, strike out "\$423,380" and insert "\$455,560."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment no. 90 and agree to the same with an amendment as follows:

In lieu of the sum inserted by said amendment insert the following: "\$468,560, of which \$13,000 shall be available for out-patient relief of the poor, including medical and surgical supplies, artificial limbs, and pay of physicians."

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the amendment of the Senate no. 90 and agree to the same with an amendment as follows: In lieu of the sum inserted by such amendment insert the following: "\$468,560, of which \$13,000 shall be available for out-patient relief of the poor, including medical and surgical supplies, artificial limbs, and pay of physicians."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 92: Page 50, after line 7, strike out all of lines 8 to 14, inclusive, and insert the following:

"Health center: For the construction on the site of the Jones Elementary School, at First and L Streets NW., of a building for a health center, including necessary fixed equipment therefor, \$165,000, of which sum \$7,000 shall be available for preparation of plans and specifications, administration, and inspection, including the employment of personal services without reference to the Classification Act of 1923, as amended."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 92 and concur in the same with an amendment.

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the amendment of the Senate no. 92 and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Health center: For the construction on the site of the Jones Elementary School, at First and L Streets NW., of a building for health center, including necessary fixed equipment therefor, \$165,000, of which sum \$7,000 shall be available for preparation of plans and specifications, administration, and inspection, including the employment of personal services without reference to the Classification Act of 1923, as amended: *Provided*, That all buildings belonging to the District of Columbia shall be under the jurisdiction and control of the Commissioners of the said District."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 95: Page 54, after line 17, insert "marshal, \$3,600, whose appointment is hereby authorized."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 95 and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 96: Page 54, line 22, strike out "\$111,800" and insert in lieu thereof "\$115,400."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 96 and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 112: Page 69, line 1, insert:

"COLUMBIA POLYTECHNIC INSTITUTE

"To aid the Columbia Polytechnic Institute for the Blind, located at 1808 H Street NW., to be expended under the direction of the Commissioners of the District of Columbia, \$3,000."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 112 and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 113: Page 70, line 4, after the word "poor", insert "at \$1,200 each per annum."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 113 and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 114: Page 70, line 5, strike out "\$13,000", and insert in lieu thereof "\$18,760."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 114, and concur with an amendment.

The Clerk read as follows:

Amendment no. 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment, as follows: Strike out the matter inserted and stricken out by said amendment, and on page 63 of the bill, strike out lines 1 to 5, inclusive.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 119: Page 75, line 3, after \$40,150 insert: *Provided*, That the Commission may procure supplies and services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), when the aggregate amount involved does not exceed \$50: *Provided further*, That a statement of expenditures from this appropriation shall be reported to Congress in the annual Budget.

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 119, and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 132: Page 83, after line 2, after the figures "\$900,000", insert: *Provided*, That the Commissioners of the District of Columbia, should they deem such action to be to the advantage of the District of Columbia, are hereby authorized to purchase a municipal asphalt plant at a cost not to exceed \$30,000."

Mr. COLLINS. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the amendment of the Senate no. 132, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: *Provided further*, That the Commissioners of the District of Columbia, should they deem such action to be to the advantage of the District of Columbia, are hereby authorized to purchase a municipal asphalt plant at a cost not to exceed \$30,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 133: Page 84, line 1, strike out "\$100,000" and insert in lieu thereof "\$143,000."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 133, and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 134: Page 84, line 1, after "\$143,000", add the following: "and the Commissioners are authorized to enter into contract or contracts for the completion of said bridge at a cost not to exceed \$393,000."

Mr. COLLINS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 134 and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 141: Page 87, in line 19, strike out "\$2,769,140" and insert in lieu thereof "\$2,957,740."

Mr. COLLINS. Mr. Speaker, I offer a motion, which I sent to the Clerk's desk.

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the amendment of the Senate no. 141 and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,894,340."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 151: Page 99, after line 22, insert:

"Sec. 7. Credit is allowed in the accounts of the District of Columbia for disbursements made from the permanent and indefinite appropriation, 'Refund of erroneously paid taxes, District of Columbia', amounting to \$3,229.90, covered by audit numbers 33,568, 37,304, 45,549, 53,546, 63,399, and 70,165, and General Accounting Office certificate no. F-5872-DC, dated July 24, 1933."

Mr. COLLINS. Mr. Speaker, I offer a motion, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. COLLINS moves that the House recede from its disagreement to the amendment of the Senate no. 151, and agree to the same with an amendment, as follows: In line 1 of the matter proposed strike out "7" and insert in lieu thereof "9."

The motion was agreed to.

The SPEAKER. Without objection, a motion to reconsider the various motions will be laid upon the table.

There was no objection.

Mr. COLLINS. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a general statement by me as to the District appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The matter referred to follows:

District appropriation bill, 1938

Amount of 1938 appropriations.....	\$45,915,641
Amount of 1937 appropriations.....	43,712,910
Increase over 1937.....	2,202,731
Amount of regular and supplemental estimates.....	46,605,605
Amount of bill as agreed to by conferees.....	45,915,641
Decrease under Budget estimates.....	689,964
Amount of House recessions in conference.....	799,057
Amount of Senate recessions in conference.....	714,140
Amount of 1938 bill as passed Senate.....	46,629,781
Amount of 1938 bill as passed House.....	45,116,584
Amount added above House bill by Senate.....	1,513,197

NOTE.—The above comparisons show the net figure in each instance.

Status of general fund appropriations, 1938

Amount of bill as agreed to by conferees.....	\$45,915,641
Amount of gas and water funds.....	5,189,815
Total from general fund.....	40,725,826
Total collections, 1938.....	28,997,625
Deficit.....	11,728,201
Less Federal contribution.....	5,000,000
Net deficit.....	6,728,201

Status of gasoline tax fund appropriations, 1938

Amount in bill as agreed to by conferees.....	\$3,145,340
Total available in fund.....	3,113,280
Deficit, 1938.....	32,060

Status of water fund appropriations, 1938

Total available in fund.....	\$2,729,475
Amount in bill as agreed to by conferees.....	2,044,475
Surplus, 1938.....	685,000

NOTE.—The above figures are estimates prepared on the basis of data submitted to the committee during hearings on the bill.

EXTENSION OF REMARKS

Mr. GRAY of Indiana and Mr. HIGGINS of Massachusetts asked and were given permission to extend their own remarks in the RECORD.

FISHERIES OF ALASKA

Mr. DIMOND. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 5860) making further provision for the fisheries of Alaska.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this bill is on the Consent Calendar. Why is there any particular reason for it being called up at this time?

Mr. DIMOND. Mr. Speaker, this is an emergency matter, because the fishing season is at hand and the House must pass the bill immediately to do any good this year.

Mr. MARTIN of Massachusetts. Just what does this bill do?

Mr. DIMOND. It is for the benefit of the natives of one part of Alaska. It limits fishing by set nets to the residents of that region and it gives the residents, particularly the Indians and Eskimos, a chance to make a little needed money.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act approved June 6, 1924, entitled "An act for the protection of the fisheries of Alaska, and for other purposes" (43 Stat. 464), as amended, is further amended by inserting in said section at the end of the first proviso thereof another proviso to read as follows: "Provided further, That in the area embracing Bristol Bay and the arms and tributaries thereof, no person shall at any time fish for or take salmon with a stake net or set net, for commercial purposes, unless such person shall have theretofore continuously resided for the period of at least 5 years within a radius of 30 miles of the place where such net is staked or set."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DIMOND. Mr. Speaker, Bristol Bay is a large bay indenting the southwestern side of the Territory of Alaska and opening into Bering Sea. It is the site of what is probably the greatest red-salmon fishery in the world and produces annually approximately 1,200,000 cases of red salmon containing 48 pounds to the case.

As I have heretofore indicated this bill is designed to provide a larger opportunity for the residents of the Bristol Bay region, and particularly for the native residents of that district, to earn a living in the great salmon fishery there carried on.

Two methods of fishing are employed to catch the Bristol Bay salmon: one involves the use of drift nets operated by boats and not attached to the shore; and the other involves the use of stake or set nets, one end of each of which is tied to the shore and thence extends out at right angles to the shore into the shallow tidal waters of the bay but not beyond the low-water mark therein. Under present regulations no stake or set net may be longer than 50 fathoms and stake or set nets may not be set within 450 feet of each other. During the year 1936 approximately 410 stake nets were operated in the Bristol Bay region and they caught about 3½ percent of all of the salmon taken in the district—the remaining 96½ percent having been caught by drift nets. The operation of stake or set nets is a simple one and can readily be performed by elderly people or even by women who are unable to undertake the more laborious and hazardous method of fishing with drift nets. For many of the residents of the region fishing by stake or set nets is the only way for them of making a living.

More than 1,000 fishermen from the United States go to Bristol Bay each year to engage in salmon fishing and they return to the States at the end of the short salmon fishing season. Some of the fishermen from the States, being more aggressive than the natives, have tended in recent years more and more to drive the natives from stake-or set-net fishing. While the income derived from the opera-

tion of any stake or set net is very small, the fishermen from the States frequently locate stake or set nets and then hire someone to operate the same while they personally engage in the more lucrative drift-net fishing. The operator of a stake net will probably not earn more than \$250 in a season, while the average fisherman using a drift net is likely to earn at least five times that amount.

This legislation is highly desirable for the subsistence of some of the residents of the Bristol Bay region, and particularly for the native residents thereof. Without an opportunity to engage in fishing by stake or set nets some of these people have no method whatever of earning sufficient money to provide themselves with food and clothing. The bill under consideration is in harmony with the policy and purpose of the Government in promoting and aiding in the education, medical relief, and economic well-being of the natives of Alaska and in assisting in the establishment of permanent homes in the Territory.

ACQUISITION OF CERTAIN LANDS FOR THE YOSEMITE NATIONAL PARK

Mr. DE ROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5394) to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park, in the State of California, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. DE ROUEN, Mr. ROBINSON of Utah, and Mr. CRAWFORD.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution recently adopted by the United Government employees on the death of our late beloved and distinguished colleague, William P. Connery, Jr.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. TAYLOR of Tennessee. Mr. Speaker, during the 20 years I have been a Member of this body this is the first time I have ever asked unanimous consent to address the House. I want to break that record this morning and ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. GREENWOOD. Mr. Speaker, reserving the right to object—I am not going to object to my colleague on the Rules Committee speaking this morning, because he makes the request so seldom, but I intend to object to any other similar request this morning, because we have important legislation to consider.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, I have requested this time that I may call to the attention of the Congress and the country, and especially to the notice of the Department of Justice a certain unusual and disgraceful species of racketeering that has been going on recently in Tennessee, and doubtless similar hijacking has been and is being practiced throughout the country.

According to a story printed under bold headlines on the front page of the Nashville Banner, a Democratic newspaper, in its issue of June 17 last, one Col. Lester F. Kimbrell, "blew" into Nashville week before last and proceeded to call to his hotel a number of Nashville businessmen who had furnished material to or had obtained contracts from the W. P. A. or other Government agencies. After being naively reminded of the business they had received from the W. P. A. and other Federal alleged relief agencies, and also

significantly informed that there would soon be additional funds for Federal distribution, these businessmen were told that as a representative of the President, Mr. Farley, and the Democratic National Committee, he had been commissioned to contact them, as beneficiaries of Federal relief funds, and take their orders for the "Democratic handbook", to be autographed by no less a personage than the President of the United States, at the "insignificant" price of \$250 apiece. These businessmen were informed that their names were on a list which was "on the desk of the President and in the hands of Mr. Farley." Thereupon the suave colonel politely told them that their quota of books was in proportion to the Government business each had enjoyed, ranging from two to eight books, or from \$500 to \$2,000.

According to the Banner, the urbane colonel told each of those he contacted that if they would sign on the dotted line, he "would be of service to them in the matter of future favor." The Banner also stated that only persons and concerns that had done business with the W. P. A. and other Federal facilities were contacted.

It is not known just how much money the ingenious colonel extracted or, rather, extorted, from Nashville businessmen, but he carried on his nefarious racket in Tennessee's capital city for a week, when he departed for Memphis to shear other innocent lambs.

On his way to Nashville the colonel, or one of his accomplices, stopped over in Knoxville, where the same tactics were employed in an attempt to hijack a number of Knoxville businessmen who had had Government contracts or furnished Federal projects material. I have it on unimpeachable authority that this Knoxville hijacker stopped at the Andrew Johnson Hotel, where he summoned by telephone those whom he was sent there to fleece. His demands in Knoxville ranged from \$500 to \$1,500 per person. In Knoxville, after the usual reminder of the business he had received through the beneficent instrumentality of W. P. A. and other Federal facilities, and after the tempting picture of future favors were dangled before him, the victim was informed of the amount he was assessed and expected to contribute. To verify his identity and authority, the "colonel" suggested that they could call a certain number in Washington. This was done, I understand, and the Washington "number" promptly replied that "the colonel" was duly and fully authorized.

Mr. Speaker, such dastardly skullduggery as I have described is not only the very essence of villainy but is a clear violation of both the letter and the spirit of the Federal Corrupt Practices Act. Of course, this campaign book pretext is not even a clever subterfuge. A political campaign book at this time would be just about as valuable and interesting as a last year's Barker's Almanac.

Mr. Speaker, I denounce this conduct as downright immoral and utterly reprehensible. It is cold-blooded graft of the purest ray serene. Of course, the so-called colonel is only a tool of the higher-ups who deserve the contempt and execration of all decent people. Al Capone in his palmiest days would have scorned to condescend to such ardent, cowardly, and contemptible conduct; and Jesse James would have considered it unworthy of his code of ethics and a reflection on his sense of sportsmanship.

Mr. Speaker, if conduct such as this is to go unchallenged, justice becomes a mockery and graft masquerades under the cloak of manly virtue. Surely, Mr. Speaker, the great Democratic Party has not degenerated to so low a state that it finds it necessary to resort to methods of coercion and extortion to raise funds to carry on and meet its financial obligations.

Here and now, I call upon the Department of Justice to investigate this outrageous and scandalous practice; and if requested to do so, I shall be glad to furnish the Attorney General's office with pertinent information bearing on this shameful and unsavory affair. [Applause.]

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend in the RECORD my own remarks on the same subject on two separate occasions.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6523) entitled "An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1938, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5394) entitled "An act to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park, in the State of California, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. PITTMAN, Mr. ASHURST, Mr. WAGNER, and Mr. NYE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 361) entitled "Joint resolution making appropriations for relief purposes."

The message also announced that the Senate had passed, without amendment, bills and joint resolutions of the House of the following titles:

- H. R. 563. An act for the relief of E. W. Garrison;
- H. R. 607. An act for the relief of Dorothy McCourt;
- H. R. 1235. An act for the relief of John Brennan;
- H. R. 1310. An act for the relief of Clifford R. George and Mabel D. George;
- H. R. 1406. An act for the relief of Frank S. Walker;
- H. R. 1689. An act for the relief of Dominga Pardo;
- H. R. 1731. An act for the relief of Angelo and Auro Cattaneo;
- H. R. 1761. An act for the relief of Paul J. Francis;
- H. R. 1851. An act for the relief of W. D. Davis;
- H. R. 2404. An act for the relief of James Philip Coyle;
- H. R. 2482. An act for the relief of Lonnie O. Ledford;
- H. R. 2703. An act to provide for the representation of the United States Court of Appeals for the District of Columbia on the annual conference of senior circuit judges;
- H. R. 2757. An act to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co.;
- H. R. 2774. An act for the relief of certain employees of the Division of Investigation, Department of the Interior, and certain disbursing officers of the Department of the Interior;
- H. R. 2934. An act for the relief of Raymond E. Payne and Anna R. Payne;
- H. R. 2983. An act for the relief of Mr. and Mrs. J. C. Porter;
- H. R. 3002. An act for the relief of Timothy Joseph McCarthy;
- H. R. 3075. An act for the relief of E. P. Lewis;
- H. R. 3123. An act to authorize the Secretary of War to lease to Old Fort Niagara Association, Inc., portions of the Fort Niagara Military Reservation, N. Y.;
- H. R. 3262. An act for the relief of John H. Wykle;
- H. R. 3284. An act to transfer Crawford County, Iowa, from the southern judicial district of Iowa to the northern judicial district of Iowa;
- H. R. 3339. An act for the relief of Allie Rankin;
- H. R. 3565. An act for the relief of the Northwestern Ohio Mutual Rodded Fire Insurance Co.;
- H. R. 3809. An act for the relief of H. E. Wingard;
- H. R. 3967. An act for the relief of Adele Fowlkes;

H. R. 4623. An act for the relief of C. O. Eastman;
 H. R. 4679. An act for the relief of John L. Summers, former disbursing clerk, Treasury Department; and Frank White, G. F. Allen, H. T. Tate, and W. O. Woods, former Treasurers of the United States;

H. R. 4682. An act for the relief of W. R. Fuchs;
 H. R. 4711. An act to extend the times for commencing and completing the construction of a bridge across Puget Sound at or near a point commonly known as The Narrows in the State of Washington;

H. R. 4942. An act for the relief of A. L. Mallery;
 H. R. 5102. An act for the relief of Mr. and Mrs. Frank Muzio;

H. R. 5258. An act for the relief of the Jackson Casket & Manufacturing Co.;

H. R. 5337. An act for the relief of Charles B. Murphy;
 H. R. 5438. An act for the relief of Richard T. Edwards;
 H. R. 5496. An act for the relief of Willard Webster;
 H. R. 5652. An act for the relief of Frank A. Smith;
 H. R. 5848. An act to extend times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 6049. An act to amend the Interstate Commerce Act;
 H. R. 6144. An act to amend the Canal Zone Code;

H. R. 6230. An act for the relief of certain former disbursing officers of the Veterans' Administration and of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and the United States Veterans' Bureau (now Veterans' Administration);

H. R. 6285. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River in Washington County, Md., at or near a point opposite Shepherdstown, W. Va., and a point at or near Shepherdstown, Jefferson County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6286. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Hancock, in Washington County, Md., and a point near the north end of Morgan County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6292. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 6436. An act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act;

H. R. 6494. An act to extend the times for commencing and completing the construction of a bridge across the Snake River between Clarkston, Wash., and Lewiston, Idaho;

H. R. 7021. An act validating and confirming certain mineral patents issued for lands situated in township 5 south, range 15 east, Montana principal meridian, in the State of Montana;

H. R. 7589. An act to levy an excise tax upon carriers and certain other employers and an income tax upon their employees, and for other purposes;

H. J. Res. 41. Joint resolution authorizing the disposal of certain lands held by the Panama Railroad Co. on Manzanillo Island, Republic of Panama; and

H. J. Res. 349. Joint resolution authorizing certain retired officers or employees of the United States to accept such decorations, orders, medals, or presents as have been tendered them by foreign Governments.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5996) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the

revenues of such District for the fiscal year ending June 30, 1938, and for other purposes", and agrees to the amendments of the House to the amendments of the Senate nos. 9, 22, 23, 56, 90, 92, 114, 132, 141, and 151 to said bill.

FARM-TENANCY BILL

Mr. GREENWOOD. Mr. Speaker, I call up House Resolution 261 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 261

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7562, a bill to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. GREENWOOD. Mr. Speaker, I yield one-half the time to the gentleman from Massachusetts [Mr. MARTIN] and yield myself 15 minutes.

Mr. Speaker, this resolution is a rule for the consideration of the farm-tenancy bill. It is an open rule, providing for 3 hours of general debate, to be confined to the bill, and providing for amendment. All points of order are waived by the rule.

In the consideration of this bill we are beginning, I believe, the solution of one of the serious problems of our country. This is another bill providing for social security for a class of men and women who live upon our farms. The measure provides for the lending of money to farm tenants, to sharecroppers, and to laborers on farms, preference being given to married people, for the purchase of homes under a 30-year amortization plan at 3-percent interest.

This is another bill looking to the relief of the underprivileged, people who have not had the opportunity many of us believe they should have. The measure provides an authorization for the first year of \$10,000,000, for the second year of \$25,000,000, and for the third year of \$50,000,000. There may be many people who believe we should start at a larger figure, and this amount, of course, is a very small appropriation with which to undertake the solution of such a large problem. However, the committee worked faithfully on this proposed legislation, and believed it proper to start with a modest amount and proceed cautiously and carefully in the program, which, to begin with, is more or less experimental. If at the end of that time we find that relief has been brought to the people on the farms in the purchase of homes, I feel sure we will have started a long-distance program which future Congresses will maintain.

Somewhere I received statistics to the effect that there are 6,288,000 farms in America, with a population of more than 32,000,000 people. Slightly less than one-half the people on these farms live on tenant farms. Every State of the Union has such a problem. Maine has 4½ percent of its farms cultivated by tenants. Mississippi has 72 percent. It is claimed the State of Iowa has the highest percentage of its farm lands in cultivation, yet in Iowa slightly less than one-half, about 49 percent, of the farms are cultivated by tenant farmers, sharecroppers, or hired hands.

This measure is to relieve the problem of farm tenancy, which is Nation-wide. The committee believes, and the idea was conveyed in the message of the President of the United States to Congress, that the problem could not be solved by any single State, but is a national problem. I believe in this proposed legislation we are beginning a long-distance program which will help to build future security for

the men and women who live on the farms, by enabling them to own their own homes.

We have, through the Federal land banks, assisted farmers who were in debt and subject to foreclosure to save their farms. We have, through the Home Owners' Corporation, assisted the home owners in the cities and towns to save their homes. This measure goes one step further, and is intended to assist people who have not owned land but have been engaged in cultivating land and in helping to produce the food of the Nation and the raw materials which clothe the Nation. Through this measure we seek to assist the underprivileged people who have not had an opportunity, because of the depression or perhaps for other reasons, to own their farm homes. We want to assist them in this humble way in the beginning, but look to a long-distance program where more of the farms of our Nation can be owned by the men and women who cultivate them.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. Yes, I yield.

Mr. FITZPATRICK. Will the amount of money paid by these tenant farmers during the years the bill is in effect be less or greater than the amount they are now paying for the same farms?

Mr. GREENWOOD. I have not figured that out, but if the payments are the same and this contributes to the ownership of the farms by the men and women who cultivate them, I think it is a very helpful proposition.

Mr. FITZPATRICK. I am in sympathy with the proposition, but my idea is that if the farmers cannot pay the rent now as tenant farmers, how could they pay greater amounts if they owned the farms?

Mr. GREENWOOD. We are not assuming they cannot pay the rent. All sharecroppers have to pay the rent, because the landlord takes his part. Of course, they pay the rent.

In a democracy like this we believe in private ownership of property, which is the opposite of communism and socialism. This measure looks toward a true American democracy and the establishment of a standard of individual home ownership. I believe the future of our Nation and the destiny of our Nation hang on the decision we make here today with respect to the future ownership of farms.

The men and women working on these farms are worthy people. They produce the food and the raw material of our Nation. They create the wealth of the Nation, but they have not always shared in a proper way in the distribution of this wealth. This measure is to assist them in owning the land which they cultivate.

We should begin now to right this wrong and give these faithful working people an opportunity to own their homes. Besides, the fertility of the soil of the Nation is being destroyed by the sharecropper and by following the rental method, because every year they attempt to pull from the soil the largest crop that is possible because next year they do not know whether they will be located there or somewhere else.

Mr. HARLAN. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. HARLAN. To what extent will this bill provide funds for helping tenant farmers in the various districts; in other words, how many of them will be helped by this measure?

Mr. GREENWOOD. Not very many in the beginning, although I have not figured that out. As I have said, this is a humble or modest beginning. We should proceed cautiously as the program unfolds, with \$10,000,000 the first year, \$25,000,000 the second year, and \$50,000,000 the third year. There can be no limitation on the future, and if Congress finds the program is working out satisfactorily, the amount can be increased from time to time.

Title II of the bill continues the rehabilitation program. Since the President is to allot money from relief funds for the rehabilitation and resettlement program, we may assume that the present program will be continued, and that the present unexpended balances in the fund will be used for the

purpose of lending the farmers money to purchase livestock and equipment, to provide family subsistence, and help them compose their debts or refinance their debts, so they may continue to live on the farms and support their families. This title of the bill continues a relief that I believe has been of great advantage to the poorer class of farmers, those who cannot receive credit through regular channels.

Title III provides an authorization of \$10,000,000 the first year, \$20,000,000 the second year, and \$20,000,000 the third year, or \$50,000,000 in all, for the purchase and retirement of submarginal land, to take it out of cultivation, to build up a soil-conservation and reforestation program and mitigate floods and help preserve the wildlife, which program is now under way.

Mr. HILL of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. HILL of Oklahoma. The gentleman has not touched upon what is in my own mind. Does this bill provide for the establishment of a new agency to administer these particular functions?

Mr. GREENWOOD. It does not provide for the establishment of a new agency. This will be under the Secretary of Agriculture, and the allotting of these loans will be done by a local committee, practically without any expense.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. It seems to me that, in view of the fact the land-retirement program has been going on or has been set up for the past 3 years, there ought to be a larger amount, at least, appropriated for this purpose in order to get this land out of alleged cultivation as rapidly as possible.

Mr. GREENWOOD. I agree with the gentleman that this is a very important program; but the gentleman from Colorado understands that there are great demands being made upon the administration and the Federal Government, not only along this line but along many others, including one billion and a half dollars for relief; and for this reason these appropriations, I am sure, are not quite as large as some of us would like to see them.

Mr. MARTIN of Colorado. I understand that, and I appreciate all that has been done; but I believe they might get rid of some of their burdens if they would spend more of the money retiring the land from alleged cultivation.

Mr. GREENWOOD. I agree with the gentleman, and I am in sympathy with that program.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. COLDEN. There are already agencies of the Government buying submarginal land. Does this bill supersede those agencies or will this work be done in conjunction with them? I do not quite understand the relationship.

Mr. GREENWOOD. I think the work will be done in conjunction with the existing agencies, but the chairman of the committee can give the gentleman that information.

Mr. JONES. The agency referred to is established by Executive order and that order automatically expires on June 30.

Mr. HILL of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from Oklahoma.

Mr. HILL of Oklahoma. In relation to the question I asked a moment ago, I notice under title IV, the Secretary of Agriculture is to establish in the Department of Agriculture a Farm Security Administration to assist him in the exercise of the powers and the carrying out of the duties imposed by this act. I thought perhaps that was a provision for setting up some new agencies and allotting some administrative expenses to such agencies.

Mr. GREENWOOD. I take it the old agencies that have been administering title II and title III will be merged under

the Secretary of Agriculture with any new agency that may be established. I do not contemplate this bill will be any more expensive in the future than it has been in the past.

Mr. HILL of Oklahoma. I should like to state to the gentleman that the theory of the proposition as laid out in this bill sounds all right to me, but I do not want us to build up some other bureau in order to do the work, because I think we have a sufficient number of such organizations now.

Mr. GREENWOOD. I agree with the gentleman. I want to see as much of the appropriation as possible go to the farm tenants and croppers.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. DONDERO. The first four lines of subsection (b), page 2, challenged my attention, because I notice that only aid is to be given to those who recently obtained the major portion of their income from farming operations. I wonder if the Committee took into consideration how recently or how long a person had to be so engaged?

Mr. GREENWOOD. Would the gentleman mind propounding that question to the Chairman of the Committee after we go into Committee of the Whole? He can tell the gentleman how far the Committee considered that matter.

Mr. DONDERO. If the gentleman will permit one further question, was any consideration given to the question of whether a man had been a success or a failure throughout the years of his tenancy?

Mr. GREENWOOD. That is to be handled by the local committees set up in each county and passing upon the responsibility and worthiness of each applicant who asks for a loan.

Mr. Speaker, I think this program will appeal to everyone, even in the city, who likes to see the ownership of homes by the people of America. I voted for every one of the measures that would loan money to the home owners to help save their homes from foreclosure. I am very heartily in favor of this legislation which will set up an agency to help more people to own their homes—people who are worthy, passed upon by local committees—to obtain assistance over a long period of time, to help build up and strengthen the security of the home.

The soil is the foundation of this Nation, as it is of every nation, and when the soil is destroyed and the men and women who cultivate the soil reach a stage of peonage, of peonage, or of servitude, I have never found any precedent in history where that nation is not started on a decline when that situation prevails. Home ownership then makes for the security of our Nation, makes for contentment, for the confidence of the people. Home ownership is the sweetest and most cherished privilege of the human family. The future of our Nation must be built upon our homes.

In conclusion I want to give you a thought that was written by a very distinguished poet a few decades ago. The farmers of England formerly lived in villages and went out and farmed their land. This sweet singer, Oliver Goldsmith, left his old home and went to other parts, and later came back and found that the old homes had been deserted by his old neighbors, friends, and relatives. It touched his heart, and he wrote that magnificent poem called the Deserted Village. He expressed it so beautifully that I want to give you a few lines of that poem:

Ill fares the land, to hastening ills a prey,
Where wealth accumulates, and men decay.
Princes and lords may flourish or may fade—
A breath can make them, as a breath has made;
But a bold peasantry, their country's pride,
When once destroy'd, can never be supplied.

Mr. Speaker, this bill will help to preserve the homes on the farms and will help to build a future civilization of home owners, and while it is a modest beginning, I think it is a move in the right direction, and I believe the rule should be adopted and the bill passed. [Applause.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 10 minutes to myself, and ask unanimous consent to extend my remarks in the Record.

The SPEAKER pro tempore (Mr. THOMPSON of Illinois). Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, no one can quarrel with the splendid idealism which prompts the advocacy of this measure. The plight of the tenant farmer cannot fail to arouse the sympathy of anyone genuinely interested in the welfare of the so-called "under dog." No one would like to aid him any more than would I, if there were a real chance to do so.

It is disturbing when you realize there are 2,800,000 tenant farmers in the country, or 42.1 percent of the entire farming population. It is disturbing when you learn the tenant farmers are increasing at the rate of 40,000 every year. Happily, the percentage of tenant farmers in my section, New England, is not so large. In Massachusetts it is only 6.2, the smallest ratio of any State in the Union; in Rhode Island it is 13.8; Maine, 6.9; Connecticut, 7.3; New Hampshire, 7.3; and Vermont, 10.9.

There is a real tenant-farmer problem. That fact cannot be disputed. However, we must be careful not to hold forth a glistening mirage to these unfortunate men and women which cannot become a reality. A disappointment would be cruel and leave permanently behind an embittered population which would be easy prey for the radical agitator.

The question is, Will this legislation eventually bring permanent improvement to these unfortunate people, or will it simply be the bailing out of some farm owners with political pull at the cost of a heavy drain upon the Treasury? Everyone knows the conditions in the agricultural industry; billions of dollars have been expended by the Government to keep the industry alive.

I am wondering if because of this fact we would be doing anyone any good to put him in a business which is as bad off as the agricultural industry without adequate resources. Might it not mean simply the Government being obliged to take over huge tracts of farming land? I hope that phase will be given some consideration in discussing the bill.

That the experiment is to be launched on a modest scale is admitted. The appropriation the first year will be \$10,000,000. If the new agency to be created is to be as expensive as the Resettlement Bureau, there is not going to be very much left for the tenant farmer. The bulk will go for political jobs, as I note the civil-service requirement is carefully omitted. Even if by some miracle the administration costs are modest, there is going to be very little available.

There are about 3,000 counties in the country. A little arithmetic reveals, with administration cost held down to 10 percent—almost unbelievable—this would mean \$3,000 for each county. Any farm which would provide a decent living for a family would cost \$5,000.

Mr. ANDRESEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. ANDRESEN of Minnesota. The average cost of the farms set up by the Resettlement Administration was between \$7,000 and \$7,500.

Mr. MARTIN of Massachusetts. That makes it a little worse, as I have worked out my arithmetic on the basis of \$5,000. So at least half the counties in the country must go without if the other counties get one farm each. A \$100,000,000 annual appropriation would take care of only 20,000 tenant farmers and you will recall there are 2,800,000.

Frankly, I am wondering if this means any real help; if it means only disappointment to the impoverished tenant farmer, who will be told in glowing language of the great help he is to receive from his Government. The average tenant farmer has as much chance of getting aid as the average purchaser of a ticket to win the English Sweepstakes.

Of course I understand the reason for the small amount to be authorized. The Treasury is in no condition to embark upon new expenditures of billions as this will require before any material good will be done.

The President last April in one of his rare economy moments; that is, when he talks of economy, said: "No expansion of Government activities should be authorized unless the necessity for such expansion has been definitely determined and funds are available to defray the costs." These words of Mr. Roosevelt unquestionably meant it was sound policy to provide the revenue for new expenditures.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. DIES. I should like to call the gentleman's attention to what I consider a very unjust provision in this bill. This permits the Secretary to buy land subject to any reservation, any outstanding estate, any interest, or easement. In my congressional district the Government is buying land and permitting the landowner to reserve all mineral rights. That is all he wants. A few years ago they were willing to give away the surface rights if they could retain the mineral rights and escape taxation. Does not the gentleman believe that when the Government buys land, the Government should have the mineral rights as well as the surface rights?

Mr. MARTIN of Massachusetts. There is no question about that. The mineral rights should go to the Government, because I think if the gentleman will look up the purchases in his district he will find the Government paid twice as much as originally paid by the lumber company for the land.

Mr. DIES. Will the gentleman yield for another question at that point?

Mr. MARTIN of Massachusetts. I yield.

Mr. DIES. Also the Government buys this land and the local taxing units lose the source of revenue necessary to operate their schools and their local government. How are we helping the people when we take away from them the means of taxation to support their schools and their local government?

Mr. MARTIN of Massachusetts. The gentleman is stating a problem that is causing a great deal of worry these days, and it will be an increasing problem in the years ahead.

Mr. JONES. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. JONES. On the question of reservation of mineral rights, I should like to call attention to section 44, which stipulates that the Government shall retain not less than one-half of the mineral rights when it disposes of any land.

Mr. DIES. But that is when the Government disposes of the land. What they are doing now is buying the land that people are glad to get rid of and paying three or four dollars an acre, and then the individual retains all the mineral rights; and it is absolutely wrong and it is wrong from the Government's point.

Mr. JONES. That is not the purpose.

Mr. MARTIN of Massachusetts. If my memory serves me right, the President vetoed the soldiers' bonus-payment bill because the bill did not provide for the revenue to finance the same. However, consistency is not particularly a great virtue and he may decide differently in this instance.

Unquestionably this experiment will eventually cost the taxpayer billions of dollars. Could not the money be better expended in some way which would lift up the entire agricultural industry? Make the industry prosperous and the worth-while tenant farmer will have the opportunity of becoming a landowner. It would appear to me we must first rehabilitate the industry and then we can more easily with reasonable cost devote ourselves to lifting the individual.

In other words, I question if it is practical to spend the money at a time when failure is almost certain. I should like to see this great social experiment attempted, and I am quite sympathetic toward it in due time when there is a reasonable chance for success. I seriously question if this is the propitious time.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman.

Mr. COLDEN. Does not the gentleman believe that the limitation to only farm tenants and farm laborers and sharecroppers is a discrimination against the man who has

left the farm and is now working in industry and would like to go back to the farm?

Mr. MARTIN of Massachusetts. It might readily be the energetic man who left the farm and went to the city might, if financed, make a much better risk than the man who stays on the farm and has not had the initiative to get ahead in life.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CRAWFORD. I think it is admitted that the most recent statistics from the Department of Agriculture show that there has been a tremendous decrease in the farm population during the last 12 or 15 months, caused primarily by increasing production and increasing wages in industry. If this is to continue, there will be few people left who will want to go back to the farm, especially when wages of \$10, \$15, and \$20 a day are now being paid for factory workers.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield back the balance of my time.

Mr. GREENWOOD. Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. MILLER].

Mr. MILLER. Mr. Speaker, I am not one of those men who subscribe to any idealistic theory to the effect that farm tenancy can ever be completely abolished, because of fundamental differences in the capabilities of human beings and the physical conditions of the various sections of our Nation. Even though we may not be able to abolish farm tenancy in the United States, this bill is a step in the right direction. Nor am I one of those men who are alarmed about the cost, because, if you will read title I of this bill—and that is the important feature of the bill, in my opinion, as supplemented by the subsequent sections—you will see that if the tenant has that stability of character, that permanency of purpose, that approved integrity that the local committee finds and which are absolutely necessary for any man to possess to be able to own a farm and to conduct a farm successfully, the ultimate cost to the Government will be negligible, because the money loaned will be repaid. The bill does open the door of hope to those who earnestly desire to purchase a home. It is the establishment of a policy of helpfulness to a class of citizens who need help and who will make good if given the chance.

It is true that we are providing only \$10,000,000 as an initial expenditure, but may I call attention to the history of Denmark. In 1899 Denmark launched a modest program of farm tenancy, but that nation today has a good comprehensive program that is fast eliminating farm tenancy. We should do likewise; we should feel our way and profit by experience. The President, in his message of February 16, 1937, said:

It will be wise to start the permanent program on a scale commensurate with our resources and experience, with the purpose of later expanding the program to a scale commensurate with the magnitude of the problem as rapidly as our experience and resources will permit.

Title I of this bill gives to that worthy tenant some ray of hope that the Government is willing to lend its credit to him to help him become a farm owner in this Nation. The fight that is confronting the House today, the fight that is confronting this Nation—and that is the reason why I am in favor of title I—is to prevent the further regimentation of agriculture. [Applause.]

There are those, of course, who believe, and who are conscientious in the belief, that the Government should in the first instance purchase the land, that the Government should exercise some kind of surveillance or some kind of supervision over these tenants, that the Government should place them on probation. I am opposed to such a program. The citizen should be permitted as much freedom as possible. The loan should be given him as a free man and not as an indentured workman. Give him a chance to make good. Let him exercise his own individuality and independence of thought and he will become not only a better citizen but he will meet his obligation and become in fact a home owner. The county committee provided for in the

bill will know which man is entitled from the standpoint of character, integrity, ability, and permanency of purpose and desire to be aided. In this way the program can be successfully carried out.

I do not want to see title I amended. Just as far as I can I want to take out of our agricultural program supervision by the bureaucrats of Washington. I am perfectly willing to admit that there has been an increase in farm tenancy in recent years but this increase is not directly caused by inability or the lack of desire on the part of the men to own land, it has been brought about because of depressing times and financial conditions, but pass this bill, establish the principle and continue the legislation giving to the producers of agricultural products a reasonable economic protection under the law, and farm tenancy will decrease as the years go by.

The President further said in his message of February 16, 1937:

The attack on the problem of farm tenancy and farm security is a logical continuation of the agricultural program this administration has been developing since March 4, 1933. Necessarily, whatever program the Congress devises will have to be closely integrated with existing activities for maintaining farm income and for conserving and improving our agricultural resources.

The landowners have benefited greatly by the agricultural program which the Congress under the leadership of our great President has heretofore enacted, but the benefits received by the tenants have not at all times been commensurate with their real interest or in accord with equitable principles. The launching of this program by our Government, if it can be kept free from speculation in land values and domination by book farmers and theorists residing in Washington and living in musty libraries, will be and does constitute the dawning of a new day for that great class of citizens who have within them the desire to create and own a home.

I realize that this bill differs from the Senate bill, but there is danger in the Senate bill. It will tend to place the man who desires to avail himself of the benefits of the bill under the domination and control of a class of people that have done enough injury to agriculture already. I know many farm tenants in my own district who are more capable of operating a farm successfully than are the bureaucrats. I should like for those tenants to have an opportunity to obtain a loan and to buy a farm and I do not want them to be humiliated by the dictatorial requirements that might be made under a bill such as the Senate bill or under amendments that will be proposed to this bill. The real friend of agriculture and of the farm tenants in this country will vote against any effort or proposed amendment that materially changes title I of the bill. [Applause.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, this legislation apparently is a compromise that will do very little good for the farmers except in a few sections of the South. It only carries an authorization for \$10,000,000. If we were actually going to do something for the tenant farmers throughout the country it would require anywhere from one billion to fifteen billion dollars. If we were to solve the farm-tenancy problem, it would cost many billions of dollars.

I do not propose to oppose this bill because in principle I think it is correct and it probably makes a small start along the avenue of trial and error and there may be something to it. I want to point out, however, that here we are with this sort of half-baked compromise bill affecting a major problem which has to do with the welfare of two million tenant farmers of America. It seems to me this is a very valid reason why the Members of the Congress should begin to make up their minds that we are approaching the time for the adjournment of the Congress.

If we are to proceed with this kind of legislation, compromise, and half-baked measures, carrying out partially just a few of the promises that were made, we should quit now. It seems to me this applies to all legislation that will come before this Congress in the closing days of the session,

whether it is the reorganization bill, the hours-and-wages bill, the compromise Court bill, or other great issues. For one, I believe it is to the interest of the country—in this case the farmers, who want something more than one-tenth of a loaf—and it is of interest to those favoring the enactment of constructive legislation and the Members themselves that we adjourn before we are swamped with partial, inadequate, and badly considered legislation.

Mr. McFARLANE. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Texas.

Mr. McFARLANE. If the gentleman were writing the farm-tenancy legislation, will he point out in his remarks just what changes he would make in this bill?

Mr. FISH. I only have 5 minutes, which is not sufficient even to make observations.

Mr. McFARLANE. Anyone can criticize, but it takes brains to make a better article.

Mr. FISH. I want to know from the gentleman whether this bill covers the tenant farmers up in my district in Dutchess County, N. Y. I have a very distinguished absentee landlord who owns a farm at Hyde Park, N. Y., and I should like to know what my farmer constituents in Dutchess County will get out of this bill, because I know what you are going to get out of it in the Southern States. This bill is for the southern tenant farmers. I want to know whether it is going to take care of the tenant farmers in my district, particularly at Hyde Park.

Mr. McFARLANE. Will the gentleman yield?

Mr. FISH. No. I am not going to take up the remaining minutes of my time on that, although I could do it and do it pretty well, if I cared to discuss the farm operations of a certain estate in Hyde Park, N. Y., which is being run at a loss according to the tax returns.

Mr. McFARLANE. The gentleman asked a question. Let me answer it.

Mr. FISH. I want to know, under the provisions of this bill, whether we are going to be taken care of up North and whether the tenant farmers of Dutchess County will receive an equal treatment with those of Arkansas and Texas.

Mr. McFARLANE. This bill applies to all sections of the country alike, even to the farm of Franklin D. Roosevelt's mother, to which the gentleman referred in his remarks a few days ago.

Mr. FISH. I also want to know what an absentee landlord is? I want to know whether a man is an absentee landlord if he is away from his farm for 6 months. I see no definition of an absentee owner or absentee landlord in this bill. How can you apply it? The purpose of this bill is to take care of tenant farmers, but I do not see how you can apply any rule unless you define an absentee landlord or absentee owner.

Mr. McFARLANE. Will the gentleman let me answer that question?

Mr. FISH. The gentleman could not answer it.

Mr. McFARLANE. I think perhaps we better keep the gentleman down here.

Mr. FISH. I might help you on the bill if I was assured that my tenant farmers would also be benefited.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. FISH. Mr. Speaker, the Democratic Members have just returned from a revival meeting at Jefferson Island, where they have got religion.

Mr. MILLS. Salvation, the gentleman means.

Mr. FISH. I want to know when the President will permit us to adjourn this Congress and whether we will have to continue to vote on half-baked legislation of this kind, that actually carries out no promises to anybody, before we will be allowed to adjourn.

Mr. McFARLANE. Will the gentleman yield?

Mr. FISH. Or whether we are going to stay here until Labor Day to vote for more compromise and half-baked legislation. Why not adjourn within the next 30 days and put the committees to work next December on reorganization, hours and labor, housing, and other important bills, so that

we will have real legislation before us when we meet next January? If this bill is typical of what is coming from now until adjournment, I suggest we adjourn within the next 30 days, or by July 31.

Mr. WALTER. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Pennsylvania.

Mr. WALTER. The gentleman asked the question as to when we were going to adjourn.

Mr. FISH. That is right.

Mr. WALTER. We will adjourn just as soon as the legislative program that the gentleman is trying so hard to obstruct is enacted into law.

Mr. FISH. Evidently the gentleman is for the Court bill. May I say to the gentleman I should like to have a vote in this House on the Court bill and put some of you Members, like the gentleman who has just spoken, on record as to whether you want to commit political suicide or not. [Applause.]

Mr. McFARLANE. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Texas.

Mr. McFARLANE. What is the gentleman hollering about? He is going to have plenty of opportunity to be put on record.

Mr. FISH. This bill is a sham.

Mr. McFARLANE. In what particular is it a sham?

Mr. FISH. It provides \$10,000,000 to solve a problem that would require at least \$10,000,000,000 to adequately solve.

Mr. McFARLANE. Point out wherein the bill is a sham.

Mr. FISH. I am going to vote for this sham bill. [Laughter and applause.] I am going to vote for this sham bill because there is no other bill before the House and because of the assurances given by the gentleman from Texas that it will enable the tenant farmers of Dutchess County and Hyde Park to buy the farms they now rent. [Applause.]

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. DIES]; and may I ask the gentleman from Massachusetts [Mr. MARTIN] to yield the gentleman from Texas 5 minutes?

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the gentleman from Texas 5 minutes.

Mr. DIES. Mr. Speaker, after I had asked for this time I found that my colleague the gentleman from Texas [Mr. MAHON] had given thorough and exhaustive study to this question; so, with the permission of the House, I am going to yield the balance of my time to the gentleman from Texas [Mr. MAHON].

Mr. MAHON of Texas. Mr. Speaker, I do not claim to be an expert on the question of farm tenancy, but I have given some study to it, and I thank my distinguished colleague the gentleman from Texas for yielding to me at this moment.

The Committee on Agriculture, which has no superior in the House, is to be congratulated for bringing in a farm-tenancy bill. I have the highest regard for the committee, and my admiration for the chairman of the committee, the distinguished gentleman from my home State [Mr. JONES], knows no bounds.

It is difficult to prepare a satisfactory bill on the subject. The members of the committee will not claim that this is a perfect bill, and I agree with them. There is nothing which I favor more strongly than an adequate farm-tenancy bill, and my object in opposing certain features of this bill is to try to improve the plan proposed and make it available to more tenants. In the first place, this bill provides for no limit on the loans which shall be made to any one farmer. The sky is the limit. Under the H. O. L. C. there is a limit; under the system of emergency crop loans there is a limit; and under the Federal land bank commissioner loans there is a limit. This practice, in my judgment, is sound government and financial policy. Therefore, I propose that we amend this bill, and I have drawn up an amendment which provides that no loan to any one applicant under this bill shall be in excess of \$6,000.

In the next place, this bill provides that a loan to a tenant or other accepted applicants shall be made to the extent of 100 percent of the value of the land to be purchased. This, I think, is a mistake in beginning this program, as we wish to start out very cautiously in order to insure the success of the program. If we start this program upon an unsound basis, we will do the tenant farmers of this country irreparable injury. If the program under this bill should collapse, we would place a stumbling block in the way of farm-ownership legislation and retard progress along this line for years. I think in this bill we ought to provide that the borrower, in order to take advantage of the aid offered in the bill, must put up at least 5 percent of the purchase price of the farm he buys, which would be \$250 on a \$5,000 farm. In other words, we would not lend more than 95 percent of the value of the farm. This would not be too restrictive for the tenant and would be better policy for the Government. I believe the tenant would be better satisfied with an initial equity in the farm purchased. It would give him a pride of ownership in his own right. Otherwise, he might feel that he was on a semirelief basis and a client of the Government.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. MAHON of Texas. If the gentleman will pardon me for just a minute, I shall yield later.

The most serious objection I have to the bill in the form in which it is drawn, and it can be corrected by amendment, is that it turns over this great proposed farm-credit program to the Department of Agriculture. I do not mean to imply any lack of admiration for the Department of Agriculture. I mean that the Department of Agriculture is not the proper agency to administer the act. I point out that under the able leadership of the Committee on Agriculture and its chairman, the gentleman from Texas [Mr. JONES], the Farm Credit Administration was set up in 1933, and has lent more than \$4,360,000,000 on a sound, businesslike basis. Prior to 1933 we had no credit structure which was adapted to the farmer. Ordinary bank credits had not operated so well for the average farmer and the coming of the Farm Credit Administration with its various divisions was a great thing for agriculture. We must realize that we are not able to give farms to tenants. Moreover, the tenant farmer does not want to be given a farm. He wants an opportunity to buy one under such circumstances that he can eventually pay for it. So we must understand at the outset that the tenants are going to buy the farms and are going to pay for them, because we cannot appropriate \$12,000,000,000 and give it to the farmers of the Nation to buy farms. This is the amount that would be required to purchase an average-priced farm for the 2,865,000 tenant farmers of the Nation.

Therefore the key to this bill, if it is to be successful, is a good credit structure. The Farm Credit Administration, through the Federal land banks and the Land Bank Commissioner, has already lent on real estate in this country more than \$3,000,000,000, and more than \$2,800,000,000 is now outstanding. Of the Federal land-bank loans 87 percent are now in good standing. I can see no reason under heaven for turning over the administration of this farm-credit bill—and that is all the measure is, a farm-credit bill for tenants—to the inexperienced hands of the Department of Agriculture, insofar as credit on real estate is concerned, and turning our backs upon the Farm Credit Administration, which in the first 3 months of 1937 lent \$5,000,000 to 1,000 tenants who were able to pay at least 25 percent of the value of their farms as an initial payment. If we keep this up the Farm Credit Administration, through the Federal land banks during this year, will lend \$20,000,000 to 4,000 tenants for the purpose of assisting them in purchasing farm homes. You will understand that under the present laws and rules and regulations as to the Federal land banks and Land Bank Commissioner an approved applicant is permitted to borrow 75 percent of the value of a farm.

What we need is to supplement, strengthen, and liberalize the loan program now existing with regard to the Farm Credit Administration so that a man who must now put up

25 percent in order to get the benefit of credit on a farm purchase can put up a lesser percentage. This would apply only to applicants covered in this farm tenancy bill. I suggest 5 percent, and I have drawn an amendment to this effect.

I hope the House will agree with me in the opinion that this bill ought to be administered by the Farm Credit Administration, which has been in the farm-saving business, in the business of saving tenant farmers and landowners, for 10, these many years. No Member of the House can estimate how many hundreds of farmers have had their homes saved during the last 4 years by the Farm Credit Administration through the Federal land banks, Land Bank Commissioner, emergency crop loans, drought loans, production-credit loans, all of which operate under the Farm Credit Administration. Without the Farm Credit Administration during the last 4 years farm ownership in many sections would have reached the vanishing point. Three million American farmers during the last 4 years have been financed by this organization, which we are about to forsake in this bill for the Department of Agriculture. The Department is skilled in its field, but it is not skilled in the field of lending money on real estate and farm land. This work is outside the field of the Department of Agriculture. The Department has paid out in A. A. A. benefits nearly \$2,000,000,000, but giving away money when it is appropriated is a different problem from lending money on a sound business basis thereby promoting home ownership and protecting the taxpayers of this Nation. [Applause.]

Further, if the administration of this bill is turned over to the Farm Credit Administration, it can start to work tomorrow in all of the 3,059 agricultural counties of the Nation. There will be no delay and there will be no tremendous overhead and great expense in setting up a new organization. There is today a National Farm Loan Association functioning in every agricultural county in the United States. These associations have a secretary-treasurer and at least five directors. These men are elected by the membership of the local farm-loan associations. The democracy of this policy cannot be questioned. But in the bill before the House the local committees in the various counties are to be appointed by the Secretary of Agriculture in Washington. Wherever possible, I believe in preserving the democratic principle of local responsibility of government.

These officers of the national farm-loan associations know how to appraise lands. They are familiar with local conditions and they know something about farm credit; they know how to cooperate with the Farm Credit Administration and the trained appraisers of the 12 Federal land bank regions. They have made their mistakes and have learned by trial and error. They are doing a grand job within the limitations now surrounding them. If we give them a little more rope, so they can select other borrowers who cannot comply with present regulations, as provided for in the amendment which I propose to offer, then many other deserving farmers can utilize Government credit in buying a home. Then we shall have really written into law a bill for which we shall not have to apologize when we go back home and confront the farmers of our districts.

Perhaps in the administration of this program we must in the beginning limit these loans to tenants who are best able financially to avail themselves of the opportunities offered by this act. As our experience increases and the farm-ownership program improves we can make the benefits of the act available to tenants who are less able financially. Eventually by this program we hope almost to obliterate farm tenancy in America. There are now many thousands of tenant farmers who, with a little assistance and encouragement, could take advantage of such a program and start on the happy, even though arduous, road to home ownership.

The Farm Credit Administration gets its money for financing Land Bank Commissioner loans through the Federal Farm Mortgage Corporation. In an amendment which

I propose to offer I provide that we merely authorize the Farm Credit Administration through the Federal Farm Mortgage Corporation to issue bonds to the extent to some \$50,000,000 for the first year and a greater sum in following years in order to finance the purpose of this bill. No direct appropriation is necessary. These bonds are guaranteed by the United States Government. By this method we will avoid an appropriation and increase from \$10,000,000 to \$50,000,000 the amount of money available to promote a farm-ownership program. This is the way we have financed land banks. Why should we not finance this program in the same manner, through the same successful channels as are now being employed by the Farm Credit Administration? Therefore, it seems to me we ought to amend the first title of the bill and say simply that we will turn over the administration of this bill to the Farm Credit Administration, rather than to the Secretary of Agriculture.

Mr. CUMMINGS. Mr. Speaker, will the gentleman yield for a suggestion?

Mr. MAHON of Texas. I yield.

Mr. CUMMINGS. I am a member of the Committee on Agriculture.

Mr. MAHON of Texas. I know the gentleman is a member, and a very distinguished member, of the Committee on Agriculture.

Mr. CUMMINGS. I have been a member of the committee for a good many years, and I may state that if the gentleman will talk to Dr. Myers, of the Farm Credit Administration, for 10 or 15 minutes, the gentleman may possibly find out why the administration of this bill has not been turned over to him.

Mr. MAHON of Texas. I know about the attitude of Dr. Myers, Governor of the Farm Credit Administration, a distinguished member of this Administration. The fact that he opposes undertaking the administration of this measure is no reason why the great Congress of the United States should not place the responsibility where the responsibility belongs, because often the gentleman and I have to shoulder responsibilities that are not always pleasant. [Applause.]

[Here the gavel fell.]

Mr. MAHON of Texas. With the unanimous consent of the House I here insert in the RECORD the amendments which I expect to offer when this bill, H. R. 7562, is read for amendment.

AMENDMENT NO. 1

On page 1, lines 7 and 8, strike out the following: "The Secretary of Agriculture hereinafter referred to as the Secretary", and insert in lieu thereof the following: "The Farm Credit Administration."

AMENDMENT NO. 2

On page 2, section 1, line 7, after the word "title" and the comma, strike out all of the remainder of the sentence and insert the following: "No person shall receive a loan in excess of \$6,000, nor shall he receive a loan in excess of 95 percent of the normal and reasonable value of the farm acquired by him under this title. The Farm Credit Administration shall give preference in making loans under this title to worthy and thrifty persons who appear to be good credit risks and who are married, or who have dependent families or who are owners of livestock and farming equipment necessary to successfully carry on farming operations. No person shall receive a loan for the purchase of a farm under this title who is able to finance such a purchase through the now existing laws, rules, and regulations of the Federal land bank and Land Bank Commissioner."

I expect to rephrase and to divide into several amendments the provisions of amendment no. 2 rather than offer it as here written.

AMENDMENT NO. 3

On page 5, beginning with line 13, strike out all of section 5 and insert in lieu thereof the following: "To carry out the provisions of this title the Farm Credit Administration through the Federal Farm Mortgage Corporation is authorized to issue bonds under the rules and regulations as now prescribed in the Federal Farm Mortgage Corporation Act of January 31, 1934, as amended, not to exceed \$50,000,000 for the fiscal year ending June 30, 1938, and not to exceed \$100,000,000 for each of the fiscal years ending June 30, 1939, and June 30, 1940."

AMENDMENT NO. 4

In section 42, page 13, line 42, strike out all of paragraph (a) and insert in lieu thereof the following: "The directors and the secretary-treasurer of the National Farm Loan Association (who

are hereinafter called the committee) in each county in which activities are carried on under title 1 shall act in the several counties as the representative of the Farm Credit Administration in making loans under title 1."

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the balance of my time to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Speaker, I am surprised to hear so much fuss about nothing. If ever a mountain labored and produced a mouse, this bill is it. We have heard a lot of lip service that we are going to make farm tenants farm owners. In the light of that lip service, this bill is a joke and a camouflage.

According to the statements of the gentlemen who preceded me and according to statistics, there are some 16,000,000 people who live on farms as farm tenants, counting members of their families. The total amount that will be appropriated under this bill for 3 years is \$85,000,000, or just \$5.31 for each of the 16,000,000 persons who live on farms as tenants.

There seems to be some difference as to whether the Department of Agriculture or the Farm Credit Administration should administer this law. I do not think it makes much difference to the tenants which Department administers it. There is this advantage in the Farm Credit Administration. The Farm Credit Administration, unless it changes its present course, would make about 20 tenants by mortgage foreclosures for every tenant that it would turn into a farm owner.

If we are sincere, and if this Congress is not to be accused of insincerity, why do we not go up to the Speaker's desk and sign petition no. 3 to bring up the Frazier-Lemke refinancing bill? This bill will take care of any tenant who has operated a farm for 2 years by making him a loan up to \$10,000, and, in addition, it will take care of the farmers who still own their farms, all at 1½ percent interest and 1½ percent principal on the amortization plan. It will take care of the farmers and the tenants of this Nation, not by issuing more tax-exempt interest-bearing bonds but by issuing a little more currency, which we ought to do in place of going further into the red.

Now, let us see the necessity of protecting the farmers who still own their farms as well as making tenants farm owners. In the first place, I am going to vote for this bill, because it is a toehold, in spite of the fact that it is camouflage and make-believe legislation. It will at least put the farm tenant in a position where he can ask for more help and keep on reminding this Administration, "You promised to make me a home owner, but you have not yet done so. Please do so now." I am sure future Congresses will have sufficient intelligence and will know enough to realize that the home is the foundation of this Nation and that they will ultimately pass intelligent legislation to save these homes.

Under this bill you have this situation. The Farm Credit Administration has taken 30,000 homes away from the farmers in a little more than 2 years by foreclosures. It has made 30,000 tenants, and under the provisions of this bill you cannot again make farm owners out of more than 8,000 in 3 years of these 30,000. Remember that the Farm Credit Administration is just one of the agencies which has made tenants. Hundreds and thousands of tenants are made each year by others foreclosing mortgages.

Again, the Farm Credit Administration, prior to the time that we guaranteed the interest on the \$2,000,000,000 bonds with which it bailed out insurance companies and other mortgagees, handled about 11 percent of the farm mortgages. When we gave them that \$2,000,000,000 with which to bail out the insurance companies, it did such a good job saving the insurance companies that now the Farm Credit Administration has 26.4 percent of the farm mortgages of this Nation.

Now that the insurance companies have been taken care of, the Federal land banks refuse to make loans to any farmer who really needs help. The only farmer who can get

a loan through the Farm Credit Administration is the farmer who does not need it to save his farm, who can get it elsewhere. It is true, if he can get it from the Farm Credit Administration, he will get it for less interest. In my own State the Farm Credit Administration has withdrawn, and I believe they have withdrawn from other States. In place of eulogizing the Farm Credit Administration, let us get the facts straight. We should know the truth, even though the truth is not just what some would like to have.

Now, let us take a look at the home owners in the cities and towns. Nobody has talked about them. Again, petition no. 4 at the Speaker's desk will save their homes. The Home Owners' Loan Corporation to date has foreclosed on 99,937 homes. Get these figures and then get busy and do something for these home owners.

Let us save the homes of America. I may say that when we voted for the Home Owners' Loan Corporation and for the \$2,000,000,000 appropriation I knew and every Member of Congress knew that we would lose a lot of money. A home is a nonproductive place, and if the poor man did not have a job at the time he made the loan and has not had a job since, how can you expect him to pay?

Yet I feel the Home Owners' Loan Corporation and the \$2,000,000,000 was the best investment this Government has ever made. We need more home owners and then there will not be so many sit-down strikes. A person who has a home to protect will not want to destroy anything, and a person who has lost his home is ready to do a little destroying if necessary. Yet in spite of this fact we have foreclosed on 99,937 homes under the Home Owners' Loan Corporation. Is this all that we are going to do for the home owners?

The number of farms changing ownership per thousand of all farms, by delinquent taxes, is 5.9; foreclosures and bankruptcy sales, 20.3, making a total of 26.2. The total number of farms in the United States, 6,812,350. Average size of the farms, 154 acres. Average value per farm, \$4,823.

Applying the ratio of 26.2 per thousand farms lost through indebtedness in the year 1936 to 6,812,350 farms, we find the total number of farms lost through indebtedness in 1936 amounts to 178,483, involving approximately 26,486,382 acres and having a value of approximately \$860,645,026, or about one-ninth of the total encumbered farms were lost through mortgage foreclosure and tax sales in 1936. This number is so staggering that we feel it should shock the conscience of every real American.

A few examples of mortgage foreclosures during the years 1935 and 1936

Oregon (estimated).....	4,000
Delaware.....	626
Iowa:	
Sept. 1, 1936, to Mar. 1, 1937, farm foreclosures.....	1,032
Jan. 1, 1932, to Sept. 1, 1936, farm foreclosures.....	14,487
Maryland (estimated).....	3,400
Indiana.....	9,484
Wyoming.....	714
Wisconsin:	
Farm foreclosures up to May 18, 1937.....	10,569
City and town foreclosures up to May 18, 1937.....	10,527
Arizona:	
Maricopa County.....	751
Estimate for entire State.....	2,500
New Jersey:	
Mortgage foreclosures.....	26,378
Tax foreclosures.....	4,895
Vermont.....	679
New Hampshire.....	753
Minnesota.....	8,349

In Chicago the Home Owners' Loan Corporation has foreclosed, up to last March, on 5,350 homes.

The time has arrived that this Congress must assume the responsibility of doing something real for agriculture. No amount of lip service, camouflage, and deception will fool the farmer forever. We have reached the point where we import practically 20 percent of our agricultural products and substitutes. The time has come when we must encourage agriculture and not discourage it, that we expand it and not restrict it. We must again make the former farmers, now tenants because of mortgage foreclosures,

home owners, otherwise our agricultural market will go to foreign nations.

The following agricultural commodities and substitutes were imported during the month of April 1937:

Animal and animal products (edible).....	\$10,137,280
Animal and animal products (inedible).....	23,975,142
Vegetables, food products, and beverages.....	80,813,390
Vegetable products (inedible).....	39,487,825
Textiles, fibers, and manufactures.....	47,846,004

Among others these imports consist of:

Cattle.....head.....	56,015
Sheep and goats.....do.....	3,186
Live hogs.....pounds.....	556,931
Meat products.....do.....	18,702,960
Pork.....do.....	1,578,187
Canned beef.....do.....	10,445,667
Hams, shoulders, and bacon.....do.....	3,228,638
Pickled pork.....do.....	427,052
Animal oils and fats.....do.....	3,692,765
Dairy products.....do.....	\$1,480,252
Butter.....pounds.....	1,130,167
Cheese.....do.....	5,364,841
Fish.....do.....	30,642,691

Yet our friends from Massachusetts have asked and received help from the Government to dispose of their fish.

Hides and skins.....pounds.....	33,627,511
Barley.....bushels.....	1,990,676
Corn.....do.....	6,210,612

Also large quantities of rice and wheat.

The best way to accomplish this is for Members of Congress to go to the Speaker's desk and sign petitions nos. 2, 3, and 4. These petitions will bring up legislation that will protect the homes of the farmers and people in cities and towns and will give to the farmers the cost of production. May I ask the Members of Congress to sign these petitions now, because ultimately Congress will have to meet this situation intelligently.

Mr. GREENWOOD. Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, I am supporting this bill because it establishes a policy. This country is about 150 years old and this is the first time in the history of the country that an effort has been made by the National Congress to establish a policy for the benefit of the tenant farmers, and I am very pleased to support the legislation.

NOT CURE-ALL

I do not claim that this bill is a cure-all, it merely approaches the problem from one angle. To my mind it can be approached in a more substantial and effective way from a different angle. This bill merely gives the tenant farmer who receives such a loan an opportunity to get a start. In order for this new home owner, the former tenant, to be successful, he must receive a fair price for what he produces.

PRICE MAIN THING

There are several factors which must be considered in connection with the farm problem. The real cause of farm tenancy is the extremely low prices which farmers have been forced to accept. They have been forced to sell at the world's price in competition with the cheapest labor in the world, and have been forced to buy in the protected market and pay a high price. It is my belief that the time has come when it is the Government's duty to force higher prices for farm products. Farmers should receive at least 20 cents a pound for cotton and a dollar a bushel for corn, with other prices in proportion. If they were to receive such prices, I doubt that it would be necessary for the Government to assist them in purchasing homes, as they would doubtless be able to borrow money locally at a reasonable rate of interest and purchase a home of their own choice without the necessity of troubling the Government in any way. With a good price, the farmers do not need much help; without a good price it is doubtful that they can pay for any kind of a home on any kind of terms which may be furnished by the Government. No class in America works as hard and gets as little for it as the farmers.

PROBLEM ALSO APPROACHED FROM ANOTHER ANGLE

While we are endeavoring to assist the tenant farmer in owning a home, we are not stopping there; other legislation has been enacted and new legislation is being proposed, hav-

ing for its purpose better prices for the farmers, so the problem is really being approached from both angles, the angle of easier money for home ownership, easier from the standpoint of long-term money with low interest rates to make home ownership possible, and from the standpoint of better prices, which will enable the new home owners to pay for their homes and enjoy economic security.

IF FARMERS ARE PROSPEROUS, COUNTRY IS PROSPEROUS

Ever since I have been in Congress I have insisted that we must give the farmers a fair price or the problem could not be solved. Price is the main thing. There are 36,000,000 people in this Nation who are dependent upon farming for a living. This number includes the farm owners, tenants, sharecroppers, their wives and children, and the hired hands and their wives and children. If these 36,000,000 people receive a fair price, they have money to buy what other people produce in other sections of the country as well as their own. They can buy what other classes and groups have manufactured and are desirous of selling. The farmers represent enough of the American market to cause this country to be prosperous if they are prosperous, and to cause it to suffer if they suffer. In every speech that I have made in this Nation—to business groups and members of different organizations—I have brought out the point that other classes and groups must realize that the farmers must be made prosperous before they themselves can be assured of remaining prosperous. This was done to cultivate sentiment in favor of the farmer. Other classes and groups are dependent upon the farmers and they must be made to realize it.

FARMERS NOT SUFFICIENTLY HELPED

Although much has been done during the past 4 years in the direction of helping the farmer by a better price, and in other ways, we have not done enough. The kind of help the farmer needs the most is protection from greedy interests, equality of opportunity, and a fair price, all of which are in the public interest. After the hand of greed and special privilege is taken from the farmer's throat he will have an opportunity to better work and earn a living for himself and family. Then, with a fair price, the farmers will be helped and the Nation will be helped. It is one of the first duties of government to protect the weak against the strong. If other classes, interests, and groups were not assisted and there were no monopolies or trusts, there would be little or no demand for farm relief.

TWENTY-FOUR TO FORTY PERCENT INTEREST

When I was a tenant farmer it was the custom in the community where I lived for farmers to pay 10 percent interest for a whole year, although they used the money borrowed for a short time. Those who extended the loans did not become rich making them, as such loans were very risky, and losses tremendous. Misfortunes overtook many, and they could not pay. Nevertheless, farmers contracted to pay in many instances from 24 to 40 percent interest. The 2 years that I was a tenant farmer I paid 24 percent interest myself. Since I have been a Member of Congress it has been my pleasure to assist in the formation of governmental agencies that have forced down the rate of interest. Feed and seed loans are an example. The farmer, through this organization, pays about \$2 for the use of \$100 during the crop season instead of \$10 as under the old system. The production credit associations have assisted materially in reducing interest rates. The Federal land banks, assisted by the Farm Credit Administration which was created by this administration, during the past few years have permitted the farmer borrowers to enjoy the lowest rate of interest that the farmers of any nation in the world have ever enjoyed in the history of the world; interest rates must continue low. All these things are great accomplishments, but, after all, the farmer can pay a good rate of interest if he gets a fair price, and he cannot pay even a low rate of interest if he does not get a good price, so price is more important to the farmer than anything else.

ELECTRIFYING THE FARM

Rural electrification is being encouraged by this administration. The program has expanded rapidly in certain areas

where low-priced electricity is available. Over a long period the farmers are going to be helped tremendously in this way. Electricity is one of the greatest blessings of mankind; low-priced electricity will remove much of the drudgery from the farm and will especially take many of the back-breaking duties from the housewife. The Denison Dam will, in all probability, be constructed on Red River near Denison, Tex. When it is completed, low-priced electricity will be available to all the farmers in the district that I have the honor to represent. This is interesting information and looks good for the future, but at the present time our farmers need a good price—not an unreasonable price—they are not asking for that; just enough to allow them to make a decent living, educate their children, provide comforts and conveniences for themselves and their families, and fair assurance of an opportunity to enjoy economic security in the future.

LOANS NOT AS IMPORTANT AS PRICE

Cotton is the principal money crop in the district I represent. When the farmer picks his cotton, he carries it to a gin to have the lint separated from the seed, and to have the cotton baled in order that he may sell it. The cotton gin usually charges a fair price for ginning and baling the cotton. If all the cotton gins were in distress and needed help, we could not cure their problem by extending loans over long terms at a low rate of interest. It would be necessary to give them a better price for ginning in order to entirely solve their problem; the loan would be helpful, but without a sufficient price for ginning they could not pay the loan or the interest. With a good price they probably would not need the loan and could pay a better rate of interest. The farmers are in the same situation; although the loans at a low rate will be helpful they will not solve their problem. The ginner with few exceptions receive a fair price and for that reason there is no demand from them for help, and if there were such a demand I am sure that it would be a demand for better prices for ginning instead of loans at low rates of interest.

RAILROADS RECEIVE HIGH RATES FOR TRANSPORTING FARMERS' PRODUCTS

When the farmer sells his cotton, the cost of transporting it to the markets of the world is taken into consideration in the price that the farmer receives. In other words, the transportation companies, including railroads, steamships, barges, and trucks must have a fair price for transporting the cotton. When the railroads need help, when they are not making a fair return, it is not loans providing a low rate of interest that they clamor for but it is higher freight rates. If the railroads receive freight rates sufficiently high, they can obtain their own loans, and are able to pay the interest rate required, but if they do not receive a fair rate it will be difficult for them to pay back any kind of a loan providing no interest rate at all.

OTHERS HANDLING FARMERS' PRODUCTS RECEIVE FAIR PRICE

Many farmers produce perishables for the market. They are compelled to pay not only a fair return to the telegraph and telephone companies, whose facilities they must use in order to find a market at the best price for their products, but they must also pay a fair return to the railroad company for transporting such products. The Government, through its different agencies, and through the Federal courts of this country compels the people to pay a fair price for services to telephone, telegraph, and railroad companies. Any electric light company, water company, telephone company, or gas company can go into any Federal court in this Nation and obtain an order that will force the people to pay a fair price for their services to guarantee them a fair return.

FARMERS PROVIDE PROFIT TO OTHERS

Since the Government has been so kind to such corporations, it occurs to me that it is time for our Government to make sure that the original producers of our Nation receive a fair price. They should not be compelled to destroy themselves by hard labor and receive nothing for it in order merely to provide business and profit for those who handle what they produce.

WAGE EARNERS' PROBLEM NOT SOLVED BY LOANS

The one who works and produces on the farm, on the ranch, in the orchard, or in the dairy makes a real contribution toward the success and prosperity of our entire Nation. The raw materials usually must be processed or manufactured in some way and, in practically all cases, must be transported and distributed.

There are about 40,000,000 people, including families, dependent upon wage earning for a livelihood. Much has been done in the direction of giving these wage earners a fair wage. It is right that they should receive a fair wage. By receiving fair wages they have purchasing power which they can use to pay the farmers, original producers, and other classes and groups fair prices. At the same time our Government has done so much in the direction of forcing higher wages, I am not convinced that the same efforts have been put forth to give the farmers and other producers a fair price. When wage earners need help, it is not long-term loans providing for a low rate of interest that they want; it is better wages. With good wages they can usually obtain their own loans locally and pay the rate of interest required. With insufficient wages it would be difficult for them to pay any kind of a loan providing for any kind of interest or no interest. The way to help the wage earners is to give them fair and sufficient wages. The best way to help the farmers, including tenants, is to give them fair prices. Practically all other problems will disappear with fair prices and fair wages.

FIXED PRICES FOR OTHERS, BUT NOT FOR FARMERS

Distributors of finished products receive, with exceptions of course, a fair price for distributing the products to the ultimate consumer. The consumer is required to pay the set and fixed prices exacted by the railroad, telegraph, telephone, electric, gas, and water companies which enter into the price of the finished article, and to pay distribution costs which in many cases are fixed and in other cases competitive, and such price as the original producer is permitted to receive. If the retailers and other distributors in our country were complaining because they were not making enough money and were demanding relief from the Government, they would not want long-time loans with low rates of interest without also receiving assistance in the form of better returns for their services. While long-term loans with low interest rates are always desirable, fair prices and fair wages are more desirable.

SELLS IN WORLD MARKET, BUYS IN PROTECTED MARKET

In addition to all these fixed and set charges, the farmer sells his produce in competition with the produce grown in other countries with cheap coolie and peon labor in the markets of the world at the world price. When the farmer buys finished products, he pays an increased price by reason of the tariff. Selling in a world market and buying in a protected market is very detrimental to farmers' interest.

FARMERS RECEIVE 5 CENTS AND 10 CENTS AN HOUR

The farmer is the steel manufacturer's best customer. The Government has assisted in the formulation of policies that recently increased wages to workmen in the steel mills. By reason of this increase in wages steel was increased in price \$6 a ton. The Government also has a tariff on the importation of steel, which permits the steel companies to profit by a higher price. In this case the Government has forced a higher and fixed price on one of the principal commodities needed by the farmer by causing increased fixed wages and providing a tariff duty on steel. Therefore the Government should either assist the farmer in receiving a fair price or fixed prices and fixed wages for others through the help of the Government should be abandoned; monopolies, trusts, and price-fixing eliminated; and the farmer privileged to benefit through competition caused thereby. If it were possible to repeal all laws and abandon all policies, which give special privileges, fixed prices, and special benefits and prevent all monopolies and trusts, possibly that would be a better approach to the problem than the Government assisting the farmers with a higher price, but we know that is not prob-

able. So, the easiest approach to the problem is to assist the farmer in obtaining a fair price in order that he may be placed on a parity with industry.

Workers in certain lines of work are receiving as much as \$20 a day or \$2 an hour. Wage earners generally are receiving from 70 cents to \$2 an hour. Contrast this with 10 cents an hour on the farm and I believe that a substantial number of our farm hired hands and small farmers, if the work of their wives and children is considered, do not make 5 cents an hour, and with that 5 cents an hour they must clothe and feed themselves and families. This is a shame. It is a disgrace. It should be corrected immediately.

FARM HOME OWNERSHIP DESIRABLE

This bill, providing long terms at a low rate of interest, will be helpful to many worthy and deserving tenant farmers. For that reason I am supporting it, but it is not a solution of the farmers' problems. The increase in farm tenancy is alarming, and we cannot solve it by loans and interest rates alone. Ownership makes better citizenship. We must do everything in our power to afford every American citizen an opportunity to own a home. To grant him a loan at a low-interest rate is one way to start, but he cannot remain a home owner unless he receives a fair price. With home ownership waste is discouraged and the soil is conserved, and the Nation is thereby helped. If farmers receive a fair price, loan agencies all over this Nation will quickly clamor for the opportunity of extending loans to the farmers for all purposes that they need loans.

PRICE FIXING FOR FARMERS

During more than 8 years that I have served in Congress I have worked unceasingly in behalf of a program that will permit a farm family which is farming for a livelihood to receive a sufficient price to permit a fair minimum income. I believe that the price of cotton should be fixed at least 20 cents a pound, wheat at least \$1.50 a bushel, and corn at a dollar, and other commodities in proportion, to the farmers who are working on a farm and are dependent upon a farm for a livelihood, in order to enable them to earn a minimum of a thousand dollars a year at these prices. If it is right for the Government to force fair minimum wages for the workers, it is also right, and equally right, that a fair minimum annual return be allowed a farmer if he actually produces a sufficient amount at a fair price to earn it.

For instance, if a farmer produced 10 bales of cotton, 500 pounds to a bale, at 20 cents a pound, he would receive a thousand dollars. Regardless of the price of cotton, the Government would protect him to that amount. If he only produced 1 bale, he would receive 20 cents a pound, or \$100, and no more. The same plan could be used for other products. There would be no protection above that amount, and there would be no protection to one who was growing cotton for speculation or for profit only, and who was not actually engaged in working on the farm, unless he profited as a farm owner. Under this plan there would be a demand for tenants, as the landlords would get better rent. Those who wanted to sell land would have plenty of buyers whose credit would be good. During this time I have appeared before congressional committees advocating this proposal. I have visited officials of our Government on numerous occasions and discussed this program at length. I have worked with national and local farm leaders who had the interest of the farmer at heart. The only dinner that I know of that was ever given for the farmers of this country in their name and for their benefit in the Capitol of the United States I gave about 2 months ago to the members of the Committee on Agriculture in the House, agricultural leaders who were in Washington, and to officials of the Department of Agriculture, for the sole and only purpose of having an opportunity to discuss with all of them at the same time the seriousness of the farm problem, and the absolute necessity of permitting every farm family to receive a fair price for what is produced up to a fair annual income, which should certainly not be less than \$1,000. I have insisted upon a family allotment. At these meetings and conferences much encouragement has been re-

ceived, and I believe that we are making headway, but our gains have been slow. Oftentimes it has appeared discouraging. The fight will continue, so far as I am concerned, until the farmer gets a square deal. I cannot understand the reasoning of a person who insists that every corporation and individual that handles what the farmer produces or has anything to do with what he produces should receive protection from the Government to the extent of minimum wages, maximum hours, fair rates of interest, and guaranteed profits, but who is not in favor of providing for a minimum annual income for a farm family where that farm family actually produces a sufficient amount to justify it if fair and decent prices are paid.

CONSIDERATION DIFFICULT TO GET

A Member of Congress, in order to be effective in the advocacy of any proposal that he believes will be helpful, must spend considerable time and effort building up sentiment in favor of the proposal before there is a committee hearing and before it reaches the floor of the House or Senate in the form of a bill. With 15,000 bills usually pending in Congress, it is a difficult matter to get consideration of any one proposal.

Last month, in order to get the attention of a large number of Members of Congress on farm legislation and issues helpful to the farmer, I sponsored a boat trip on the Potomac River. The trip lasted all day and on a boat, we were away from everything that would be calculated to disturb us. Attending the meeting on the boat there were more than 100 Members of the House of Representatives and the United States Senate; all except one of the southern commissioners of agriculture; officials of the Department of Agriculture; high officials of the W. P. A.; other such recognized farm leaders as the Honorable Lawrence Westbrook, of Texas, and such unselfish citizens who have demonstrated their interest in the farmer as ex-United States Senator Robert L. Owen, of Oklahoma, framer of the Federal Reserve Act; the Honorable Robert Hemphill, financial writer for magazines and daily newspapers, and for 25 years credit manager of the Federal Reserve bank at Atlanta, Ga.; Prof. Irving Fisher, of Yale University; and another one of the finest characters I have ever known, Mr. Dale Carnegie, who is the author of America's best book seller, *How to Win Friends and Influence People*. We spent the entire day with short talks and discussions. In this way the importance of the farmers' problem and the extreme necessity for it to be solved at an early date in order to help the entire country was emphasized. The money question, as it relates to the farmers' welfare, was especially discussed. The following resolution, which is self-explanatory, was later forwarded to me:

Meeting at Washington, D. C., June 6-8, 1937.

Presiding: Harry D. Wilson, Commissioner of Agriculture, Baton Rouge, La.

"Whereas Congressman WRIGHT PATMAN, of Texas, has rendered great and valuable service in giving our people monetary relief through his patriotic efforts to restore to the Congress their constitutional right to coin and regulate the value of money:

Be it resolved, That the southern commissioners of agriculture in behalf of the southern farmers and agriculture express our sincere and deep appreciation for this service rendered by Congressman WRIGHT PATMAN.

Be it further resolved, That the secretary be authorized to deliver a copy of this resolution to Congressman PATMAN."

I hereby certify that this is a true copy of the resolution passed by the Association of Southern Commissioners of Agriculture at a meeting held in Washington, D. C., June 8, 1937.

C. C. HANSON, Secretary.

In order for the farmer to get the protection he is entitled to receive, Members of Congress and the people generally must be sold on the fact that his cause is just and that the entire Nation will be benefited by helping the farmer.

With public sentiment for the farmers they will be successful in their fight, but without public sentiment success is improbable.

LANDLORDS

The tenants are not the only farmers who are in need of price protection. There is another class of farmers that has suffered greatly, and especially during the depression.

That is the class that owns their land or that holds title to their land although they owe for it. During the worst years of the depression, the landlords were required to pay taxes and pay interest on the debt, make principal payments, to keep up the fences, the houses, and make other necessary improvements. The tenants, although they suffered along with the landlords by reason of the low prices, they were privileged to occupy the houses of the landlords and use their improvements, and if a crop was made, the tenant received his share, but if it was not made, the tenant did not lose anything on the land, buildings, or improvements, and was not compelled to pay interest or taxes.

FARMER'S CREDIT NOT GOOD WITHOUT PRICE ASSURANCE

If the Government will adopt a policy of allowing a fair price for a sufficient amount of farm products to each farm family to allow that farm family to earn a thousand dollars a year at a fair price, which will entitle them to it, then the landlord will be benefited not only as an owner but by higher rent, and if the landlord desires to sell a part of his land, the tenant will be in a position to buy it. If the tenant knows what he is going to receive if he works and earns it, his credit, according to his standing in the community, will become valuable. If the farmer's credit is restored, landlords will be wanting tenants, and farm owners will be wanting to sell land to them. As long, however, as the farmer has no assurance of what he is going to receive, his credit will not be good, his earning power very limited as it is now, landlords will prefer machinery to tenants, and the tenants cannot buy and pay for farm homes.

WORK AND KNOWLEDGE REQUIRED OF FARMERS

In order for one to operate a farm he must be a hard worker. He must get up early in the morning and work until late at night. The hardest kind of manual labor is involved. He must keep up with the weather and have a fair knowledge of soil, fertilizer, germination of seeds, cultivation of crops, extermination of the many different kinds of pests and insects, and proper handling and marketing of the matured production. This requires considerable knowledge as well as work. It is my belief that workers in industry, who receive a dollar an hour and more, are not required to have the knowledge and information that farmers are required to possess, and they are not required to do anything like the hard work that farmers are required to do. A farmer can work hard all the year, and a few minutes' hail, or a flood, or a few weeks' drought will destroy all of his labor. The death of livestock, or illness in his family, or any one of many other misfortunes may take everything that he makes during the whole year. No class or group works so hard, must possess so much information and knowledge, must run so many risks and receive so little for it, with no assurance of any income whatsoever, as the farmers of this country. Yet they feed and clothe the world. Without them the health, happiness, and prosperity of all the other people in the Nation would be endangered if not destroyed. Our Government has helped practically every other class, group, interest, or business, but to that great class or group to whom we are so greatly indebted as a Nation and who has been thereby placed at a disadvantage, so little has been done.

TAXES AND INTEREST

Lower taxes will help the farmer; so has lower interest rates helped the farmer. But a fair price will help him more than anything. If he did not have to pay interest at all or any taxes at all, if he does not receive a better price than he has in the past, he would not be earning a livelihood. If all of the farmers in this Nation used the cost-accounting methods that industry uses, I doubt that a half dozen farms in America would make a net profit, and all the farms combined would have a several hundred million dollar loss each year.

PRESENT ADMINISTRATION HELPED

In connection with what this administration has done to help the farmer, it is interesting to note that in 1932 it required two bales of cotton for a farmer to pay the interest

on a thousand-dollar loan, whereas in 1936 it required only one-half bale to pay the interest on a thousand-dollar loan. It required 160 bushels of corn to pay the interest on a thousand-dollar loan in 1932, but only 40 bushels in 1936; it required 140 bushels of wheat in 1932, but only 50 bushels of wheat in 1936; it required a 1,200-pound beef to pay the interest in 1932, but only a 600-pound beef would pay the same interest in 1936. This administration has helped the farmer substantially, and is now sponsoring other measures calculated to be of great and lasting benefit to all farmers, tenants, and farm owners.

SURPLUS

Much has been said about the surplus cotton and surplus farm products. I am not so sure about other products, but I am reasonably certain that if all of the people in America could buy the cotton products that are needed and that could be used for desirable and not wasteful purposes, we would not have a cotton surplus. I recall that when every third row of cotton was plowed up, Negroes were seen clad only in a jute rag, which was wrapped around them, plowing up this cotton. Jute is produced in India and not in America.

PROUD PEOPLE ON FARM

People who live on the farm are proud people. They have pride; they take interest in the building and the development of the home, the church, and the school. Half of the people in this Nation would be in tears if they only knew how hard the farmers and their families work and how little they can possibly accomplish in proportion to their efforts. Home-demonstration agents and county agents are very helpful. They have assisted the farmers in many ways, and their wives are assisted in the preservation and canning of fruits, vegetables, and meats necessary and desirable for home consumption. These savings are very beneficial; but, after all, the farmers need more than something to eat; they need other comforts the same as other people. They want to educate their children; they want to enjoy conveniences that other people enjoy. They are entitled to these privileges and benefits and they are possible only with a fair price for what they produce. I have visited the homes of some of the poorest tenant farmers. I will describe one that I visited.

The floor of the house was as clean as it could be kept; there were beautiful flowers in the yard; the house was tidy and just as nice as it was possible to make it. No electricity, no gas for fuel, no running water. It was evidently a cold place in the winter and a hot place in the summer. Although the furniture was crude and old, and there were no rugs on the floor, no tablecloths on the table, and no towels except what they had made from sacks in which they bought things from the stores and used in making towels, it was a real home, like one of the thousands of such homes where some of the best people in the Nation reside; and from such humble homes some of our greatest men and women were born and reared. Too much cannot be said in praise of the good, enterprising farm wife who accomplished wonders under such adverse circumstances. It seems a shame to me that these people who work so hard and grow cotton are not permitted to actually buy a sufficient amount of the products that are made from cotton to furnish them with the simple comforts of life. This, to my mind, is partly caused by a fallacious monetary system. If it is corrected, the farmers will get a better price. Money is a vehicle which is just as necessary to transport goods to consumers as boxcars. If the amount of money, including bank deposits, is increased, everything the farmers produce is increased in proportion. If money becomes dear, everything else becomes cheap. I will not discuss the money question further than to say that much can be done in the direction of helping the farmers by giving them a better price by perfecting the monetary system.

CONCLUSION

I submit the following for consideration:

First. The Government should, if necessary, arbitrarily fix the prices of the basic farm commodities at a price that

will allow a farm family to earn a decent living if they produce a sufficient quantity of such products at such fair price to justify it.

Second. Taxes and interest should be made just as low on the farmers as possible until at least they are in a position to enjoy economic security by reason of good prices and on a parity with industry.

Third. Good prices and good wages are both necessary and desirable, since it is only through good prices and good wages that the American people pay their debts. If wages and prices are reduced 50 percent, the debt and tax burden of the people, in what they have to pay with, will be increased 100 percent, and vice versa.

Fourth. The 12 Federal Reserve banks should be owned by the Government and operated in the interest of all the people, banks, industry, and commerce instead of being owned by private banking corporations as at present.

Fifth. So many tax-exempt interest-bearing bonds have been issued that the rich are becoming richer and the poor are becoming poorer. The poor people of the Nation are being compelled to pay taxes upon what they owe and upon what they consume to support the different governments from local to Federal. No more interest-bearing tax-exempt bonds should be issued.

Sixth. We must place a noose where there is now a loophole in our tax laws. It appears that corporations are entitled to more rights than citizens, since citizens are incorporating to escape taxes. It appears that foreign corporations are entitled to more rights than even an American citizen or American corporation, since foreign corporations are being used to escape taxes. Holding companies are unnecessary. They do not serve a useful or constructive purpose. They are merely used to avoid taxes, shirk responsibility, and mislead the investing public, and they should be abolished.

Seventh. It is idiotic and imbecillic for the Government to pay interest on its own credit. If this is corrected, the Government will save almost a billion dollars a year, and it can be corrected if the Government should purchase the stock and own and operate the 12 Federal Reserve banks.

Eighth. Monopolies and trusts should be broken up. The Department of Justice has recently commenced action to dissolve the Aluminum Trust. A judge, appointed by President Harding, evidently approved by the "Ohio gang" and admittedly had the endorsement of Andrew W. Mellon, has granted an injunction restraining our United States Attorney General, something that never happened before in this country, from bringing any suit against Mellon and the Aluminum Co., except in his court to be presided over by himself. Mr. Robert H. Jackson, Assistant to the Attorney General of the United States, says that a judicial monopoly is sought, as well as the aluminum monopoly.

Ninth. Independent business, locally owned and owner operated, should be encouraged instead of absentee ownership. The boys and girls of the future should not be denied an opportunity because they do not have sufficient acquaintance or pull with some New York banker, who owns or controls the local business. The Department of Agriculture has recently had to go into the market with Government funds and buy potatoes because a few large national concerns handling potatoes had so depressed the market that the farmers were being robbed. Corporations should not have so much power, as they will certainly abuse it; other similar instances could be cited.

FIGHT WILL CONTINUE

My family has been attached to the soil of America for more than 300 years. John Patman, my ancestor, came from England on the ship *Peter Bonaventure*, landed near Jamestown, Va., in 1635. Ever since that time our family has owned and worked on land. Therefore, by reason of having been a farmer myself, my father was a farmer, my grandfather was a farmer, and my family for more than 300 years having been attached to the soil of this great country, I have inherited a loyalty and affection for the farm and the problems of the farmer. I am hoping that I can make

a substantial contribution toward solving the major problems of the farmer. If I can assist in giving to that great class of public-spirited, patriotic people, the farmers, who help to build and sustain our country in time of peace and who help to save our country in time of war, that measure of justice they should receive from a grateful Government, I shall feel that my service in Congress has not been in vain. My efforts in that direction will continue.

Mr. GREENWOOD. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

AGRICULTURAL APPROPRIATION BILL, 1938—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 6523) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1938, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Missouri calls up a conference report on the agricultural appropriation bill and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6523) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1938, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 1, 3, 4, 6, 7, 8, 9, 10, 11, 14, 16, 18, 20, 21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 36, 39, 41, 44, 49, 51, 58, 60, 68, 74, 77, 79, 80, 82, 83, 84, 87, 89, 93, 96, 97, 99, 101, 102, 103, 104, 110, 112, 114, 115, 118, 121, 122, 123, 128, 129, 135, and 136.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 5, 15, 32, 35, 40, 42, 46, 47, 48, 52, 53, 55, 56, 57, 62, 65, 67, 70, 71, 72, 75, 76, 92, 94, 95, 107, 108, 109, 111, 113, 120, 127, 130, and 133, and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$887,650"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$1,254,130"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$6,232,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$6,463,546"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,342,870"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,190,179"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$4,703,049"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$633,199"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$703,694"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: Restore the matter

stricken out by said amendment amended to read as follows: "including not exceeding \$80,000 for acquisition of additional land, notwithstanding the limitations of said act of March 4, 1927," and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$122,000"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$4,833,048"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$638,403"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$14,116,596"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$75,000"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$18,892,182"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$196,243"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$1,425,431"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$75,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$460,860"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$5,711,398"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$171,149"; and the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,127,840"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$48,785"; and the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$423,169"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$460,769"; and the Senate agree to the same.

Amendment numbered 98: That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$6,162,698"; and the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$6,212,698"; and the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$500,000"; and the Senate agree to the same.

Amendment numbered 106: That the House recede from its disagreement to the amendment of the Senate numbered 106, and

agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$190,000"; and the Senate agree to the same.

Amendment numbered 116: That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$22,175,000"; and the Senate agree to the same.

Amendment numbered 117: That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$24,390,780"; and the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$100,000"; and the Senate agree to the same.

Amendment numbered 125: That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "And provided further, That the funds provided by section 32 of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935 (U. S. C., Supp. II, title 7, sec. 612c), shall be available during the fiscal year 1938 for administrative expenses in such sums as the President may direct in carrying out the provisions of said section, including the employment of persons and means in the District of Columbia and elsewhere, in accordance with the provisions of law applicable to the employment of persons and means by Agricultural Adjustment Administration"; and the Senate agree to the same.

Amendment numbered 131: That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$12,500,000"; and the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$7,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 88, 124, 126, and 134.

CLARENCE CANNON,

M. C. TARVER,

WILLIAM B. UMSTEAD,

WILLIAM R. THOM,

CHARLES H. LEAVY,

W. D. McFARLANE,

EVERETT M. DIRKSEN,

Managers on the part of the House.

RICHARD B. RUSSELL, Jr.,

CARL HAYDEN,

ROYAL S. COPELAND,

E. D. SMITH,

GERALD P. NYE,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6523) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1938, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Correction of totals, allocations, etc.

The following amendments relate to the corrections of totals, allocations, transfers, clarifications of the text, etc.:

Amendments nos. 4, 5, 8, 11, 13, 17, 19, 24, 27, 31, 32, 38, 40, 42, 50, 53, 59, 61, 63, 66, 70, 78, 83, 84, 85, 86, 91, 92, 98, 100, 103, 104, 106, 108, 109, 117, 118, 119, 120, and 132.

"Other necessary expenses"

The following amendments relate to the action of the Senate in striking out the words "other necessary expenses" or words of similar import in the several paragraphs to which the amendments apply. As to each and all of these amendments the Senate has receded. The amendments are:

Amendments nos. 3, 6, 9, 14, 18, 25, 26, 28, 33, 34, 36, 39, 44, 51, 77, 79, 87, 89, 93, 97, 99, 101, 114, 115, 121, 123, 129, 135, and 136.

Office of the Secretary

On amendment no. 1, salaries: Appropriates \$452,700, as proposed by the House, instead of \$442,700, as proposed by the Senate.

On amendment no. 2, spray residue investigations: Retains the Senate provision that no part of the funds appropriated by this act shall be used for laboratory investigations to determine the possible harmful effect on human beings of spray insecticides on fruits and vegetables.

Office of the Solicitor

On amendment no. 7, salaries and expenses: Appropriates \$194,160, as proposed by the House, instead of \$195,780, as proposed by the Senate.

Office of Information

On amendment no. 10, salaries and expenses: Appropriates \$366,480, as proposed by the House, instead of \$363,282, as proposed by the Senate.

On amendment no. 12, printing and binding: Appropriates \$887,650, instead of \$894,250, as proposed by the House, and \$864,250, as proposed by the Senate.

Office of Experiment Stations

On amendment no. 15, payments to Hawaii: Appropriates \$50,000, as proposed by the Senate, instead of \$60,000, as proposed by the House.

On amendment no. 16, payments to States under Bankhead-Jones Act: Appropriates \$1,800,000, as proposed by the House, instead of \$1,500,000, as proposed by the Senate.

Special research fund

On amendment no. 20: Appropriates \$1,200,000, as proposed by the House, instead of \$1,000,000, as proposed by the Senate.

Extension Service

On amendment no. 21, supplementary cooperative extension work: Appropriates \$790,000, as proposed by the House, instead of \$1,185,000, as proposed by the Senate.

On amendment no. 22, extension work under Bankhead-Jones Act: Appropriates \$10,000,000, as proposed by the House, instead of \$9,800,000, as proposed by the Senate.

On amendment no. 23, additional cooperative extension work: Appropriates \$500,000, as proposed by the House, instead of \$750,000, as proposed by the Senate.

Weather Bureau

On amendment no. 29, general weather service and research: Retains the Senate increases of \$23,920 for flood-warning service in the Pittsburgh, Pa., region, \$10,000 for restoration of weather station at Dayton, Ohio, and \$10,000 for restoration of weather station at Greenville, S. C. Eliminates the Senate increase of \$5,000 above an increase of the same amount granted by the House for additional weather service to citrus growers of California.

On amendment no. 30, aerology: Eliminates the Senate increases of \$35,000 for the substitution of a numeral code for the present word code and of \$57,771 for the replacement of Army airplane flights by contract flights at five Army airfields in connection with daily observations of upper air conditions. Retains the remaining \$501,090 of the Senate increase for general improvement and strengthening of the airways weather service.

Bureau of Animal Industry

On amendment no. 35, marketing agreements with respect to hog cholera virus and serum: Retains the Senate amendment making \$30,000 of Agricultural Adjustment Administration funds available for effecting such agreements.

Bureau of Dairy Industry

On amendment no. 37, dairy investigations: Retains the Senate increase of \$6,600 for the development of commercial sources for the utilization of skim milk, buttermilk, and whey, and for the commercial introduction of processes for manufacturing milk products. Eliminates the remaining Senate increase of \$14,801.

Bureau of Plant Industry

On amendment no. 41, forest pathology: Appropriates \$259,592, as provided by the House, instead of \$252,092, as provided by the Senate.

On amendments nos. 43 and 45, National Arboretum: Provides an increase of \$80,000, instead of \$90,000, as proposed by the House, and restores the language of the House, stricken out by the Senate, amended to read as follows: "Including not exceeding \$80,000 for acquisition of additional land, notwithstanding the limitations of said act of March 4, 1927."

On amendment no. 46, nematology: Includes the Senate increase of \$5,000 for work on nematodes in narcissus and other bulbs.

On amendment no. 47, rubber and other tropical plants: Appropriates \$46,749, as provided by the Senate, instead of \$40,000, as provided by the House.

On amendment no. 48, seed investigations: Appropriates \$72,293, as provided by the Senate, instead of \$67,293, as provided by the House.

On amendment no. 49, sugar-plant investigations: Retains the House increase of \$16,700 for establishment of sugar-plant-experiment station in Mississippi.

Forest Service

On amendment no. 52, National Forest Administration: Retains the Senate increase of \$10,000 for recreation and special land use developments.

On amendment no. 54, forest management: Retains the Senate increases of \$9,909 for pinion-juniper and other woodland types of the Southwest and of \$7,500 for conversion of brush fields in northern California into valuable timber stands. Eliminates the Senate increase of \$7,500 for planting and reforestation studies in the Central States.

On amendment no. 55, range investigations: Retains the Senate increase of \$10,000 for studies in the control of shrub invasions on semidesert ranges of the Southwest.

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On amendment no. 56, forest products: Retains the Senate increases of \$10,000 for studies in the utilization of new woods for paper making, and of \$10,000 for studies in chemical seasoning of wood.

On amendment no. 57, forest economics: Retains the Senate increase of \$15,000 for range economics investigations in the intermountain region.

On amendment no. 58, forest influences: Restores the House increase of \$10,000.

On amendment no. 60, acquisition of lands for national forests: Appropriates \$3,000,000, as proposed by the House, instead of \$2,500,000, as proposed by the Senate.

On amendment no. 62, acquisition of lands for national forests: Eliminates the House provision that \$1,000,000 of the sum appropriated shall be available only for purchase of lands in purchase units where as much as 20 percent of the lands within such purchase units have not heretofore been acquired.

Bureau of Chemistry and Soils

On amendment no. 64, industrial utilization of farm products and byproducts: Provides an increase of \$10,000 for plastic investigations, instead of the increase of \$20,000, as proposed by the Senate.

On amendment no. 65, naval stores investigations: Retains the Senate increase of \$2,159 for the employment of two night watchmen at the experiment station at Olustee, Fla.

Bureau of Entomology and Plant Quarantine

On amendments no. 67 and no. 68, Japanese beetle control: Retains the Senate increase of \$25,000 in this appropriation and eliminates the Senate provision that \$40,000 of the total appropriation shall only be available for cooperation with the State of Maryland.

On amendment no. 69, sweetpotato weevil: Appropriates \$75,000, instead of \$50,000 as provided by the House and \$100,000 as provided by the Senate.

On amendments no. 71 and no. 72, forest insects: Retains the Senate increase of \$39,738 in this appropriation and the Senate provision that \$40,000 of the appropriation shall only be available for expenditure when matched by State funds.

On amendment no. 73, Dutch elm disease: Appropriates \$460,860, instead of \$421,720 as proposed by the House and \$500,000 as proposed by the Senate.

On amendment no. 74, insects affecting man and animals: Retains the House increase of \$10,000 for ticks in the vicinity of Martha's Vineyard Island, Mass.

On amendment no. 75, transit inspection: Appropriates \$44,059, as proposed by the Senate, instead of \$36,559, as proposed by the House.

On amendment no. 76, foreign plant quarantines: Appropriates \$680,000, as proposed by the Senate, instead of \$661,728, as proposed by the House.

Bureau of Biological Survey

On amendment no. 80, food habits of birds and animals: Appropriates \$68,140, as proposed by the House, instead of \$75,640, as proposed by the Senate.

On amendment no. 81, biological investigations: Retains \$18,000 of the House increase of \$42,000 for the establishment of three new regional stations for cooperative studies of wildlife.

On amendment no. 82, control of predatory animals and injurious rodents: Retains the House increase of \$12,000 for work on rodents harmful to orchard trees in the northeastern States.

Bureau of Agricultural Engineering

On amendment no. 90, agricultural engineering investigations: Appropriates \$423,169, instead of \$415,669 as proposed by the House and \$430,669 as proposed by the Senate.

Bureau of Agricultural Economics

On amendment no. 94, farm management and practice: Appropriates \$376,580, as proposed by the Senate, instead of \$386,580, as proposed by the House.

On amendment no. 95, marketing and distributing farm products: Retains the Senate increase of \$7,500 for studies of Federal, State, and local regulations affecting trade in agricultural products.

On amendment no. 96, Tobacco Inspection Act: Retains the House increase of \$25,000.

Bureau of Home Economics

On amendment no. 102, home economics investigations: Appropriates \$213,350, as proposed by the House, instead of \$188,350, as proposed by the Senate.

Enforcement of the Commodity Exchange Act

On amendment no. 105, salaries and expenses: Appropriates \$500,000, instead of \$400,000 as proposed by the House and \$590,000 as proposed by the Senate.

Food and Drug Administration

On amendment no. 107, enforcement of the Food and Drugs Act: Appropriates \$1,750,000, as proposed by the Senate, instead of \$1,700,000, as proposed by the House.

Soil Conservation Service

On amendment no. 110, cost of buildings: Retains the House limitation of \$15,000, instead of the Senate limitation of \$10,000, upon the cost of not to exceed 20 buildings.

On amendment no. 111, construction of buildings: Retains the Senate provision prohibiting the erection of buildings on land not owned by the Government.

On amendment no. 112, general administrative expenses: Appropriates \$675,000, as proposed by the House, instead of \$600,000, as proposed by the Senate.

On amendment no. 113: Retains the Senate provision that no part of the appropriation for administrative expenses shall be available if any emergency or other appropriations are made available for administrative expenses in administering the funds provided in regular appropriations to the Soil Conservation Service.

On amendment no. 116, soil and moisture demonstrations: Appropriates \$22,175,000, instead of \$22,225,000 as proposed by the House and \$22,125,000 as proposed by the Senate.

Crop benefit payments for soil-conserving practices

On amendments nos. 122 and 123, conservation and use of agricultural land resources: Appropriates \$500,000,000, as proposed by the House, instead of \$440,000,000, as proposed by the Senate.

On amendment no. 125, administrative expenses in carrying out section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes": Restores the language stricken out by the Senate, amended to read as follows: "And provided further, That the funds provided by section 32 of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935 (U. S. C., Supp. II, title 7, sec. 612c), shall be available during the fiscal year 1938 for administrative expenses in such sums as the President may direct in carrying out the provisions of said section, including the employment of persons and means in the District of Columbia and elsewhere, in accordance with the provisions of law applicable to the employment of persons and means by Agricultural Adjustment Administration."

Beltsville Research Center

On amendment no. 127: Appropriates \$75,000, as proposed by the Senate, instead of \$85,000, as proposed by the House.

Elimination of Diseased Cattle

On amendment no. 130: Retains the Senate provision that \$2,000,000 of the funds for elimination of diseased cattle may be used only in those States which have made appropriations for indemnifying the owners of cattle reacting to the test for Bang's disease.

Forest Roads and Trails

On amendment no. 131: Appropriates \$12,500,000, instead of \$11,000,000, as proposed by the House, and \$14,000,000, as proposed by the Senate.

On amendment no. 133: Eliminates the House provision that total expenditures for forest roads and trails on account of any State or Territory shall at no time exceed its authorized apportionment as provided by section 23 of the Federal Highway Act.

Disagreements

The committee of conference report in disagreement the following amendments of the Senate:

On amendment no. 88, Federal-aid highway system: Strikes out the House provision that the appropriation be available for the purchase of medical supplies and services and other assistance necessary for the immediate relief of employees engaged on hazardous work of the Bureau and inserts language providing that \$450,000 of administrative funds, in addition to sums heretofore authorized (making in all \$1,360,000), may be used for the construction (including the cost of a site already acquired) of a laboratory for permanent quarters for the testing and research work of the Bureau of Public Roads.

On amendment no. 124: Making the appropriation for domestic allotments available for the purchase of seeds, fertilizers, or any other farming materials and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary of Agriculture in the 1937 programs, for the reimbursement of the Tennessee Valley Authority for fertilizers heretofore or hereafter furnished by it to the Secretary of Agriculture for such purpose, and for the payment of expenses in connection with the making of such grants.

On amendment no. 126, interchange of appropriations: Authorizing transfers within bureaus of 10 percent of the amounts appropriated for the respective activities within the respective bureaus.

On amendment no. 134, forest roads and trails: Fixing the apportionment of the Territory of Alaska for the fiscal years 1938 and 1939 at \$350,000 for each of said years and providing that the remainder of the sums that would be otherwise apportioned to said Territory shall be reapportioned in the same manner and on the same basis as provided in the second paragraph of section 23 (a) of the Federal Highway Act among those States whose forest highway apportionments for the fiscal years 1938 and 1939 otherwise would be less than 1 percent of the entire apportionment for forest highways.

CLARENCE CANNON,
M. C. TARVER,
WILLIAM B. UMSTEAD,
WILLIAM R. THOM,
CHAS. H. LEAVY,
W. D. McFARLANE,
EVERETT M. DIRKSEN,
Managers on the part of the House.

The SPEAKER. The question is upon the adoption of the conference report.

Mr. CANNON of Missouri. Mr. Speaker, this report covers all matters in disagreement between the two Houses, with the exception of four routine amendments which we expect to take up on disposition of the report, and on which there is no controversy. The bill as perfected in the report is a conservative bill, and is more than \$3,000,000 below the Budget estimate. Comparative statistics on the bill may be summarized as follows:

CONFERENCE REPORT ON DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1938

Comparing the total of the bill as agreed to in conference with the total of appropriations for 1937, the Budget estimates for 1938, and the bill as it passed the House and as it passed the Senate

Total, 1937 appropriations, including reappropriations of \$54,364,000	\$668,921,606
Total, 1938 Budget estimates, including reappropriations of \$75,864,000	809,248,290
Budget increase over 1937 (see analysis below)	\$140,326,684

Comparing the total of the bill as agreed to in conference with the total of appropriations for 1937, the Budget estimates for 1938, and the bill as it passed the House and as it passed the Senate—Continued

Total, as passed House, including reappropriations of \$175,864,000	\$804,193,231
House reduction under Budget estimates	5,055,059
Total, as passed Senate, including reappropriations of \$175,864,000	747,125,242
Total, as passed Senate, plus restoration of \$60,000,000 Senate cut in soil-conserving crop benefit payments	807,125,242
Total, agreed to in conference, including reappropriation of \$175,864,000	806,245,208
Conference total is:	
Below the Budget by	\$3,003,082
Above the House total by	2,051,977
Above the actual Senate total by	59,119,966
Below the Senate total after restoration of \$60,000,000 for soil-conserving benefit payments by	880,034

The above totals include \$4,000,000 for the Farm Credit Administration, the remainder being for the Department of Agriculture.

The reappropriations, totaling \$175,864,000, breakdown as follows:

Soil-conserving benefit payments	\$160,000,000
Elimination of diseased cattle	15,864,000

Total	175,864,000
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In addition to the above appropriations, the bill authorizes for administrative expenses of the Federal Farm Mortgage Corporation, \$15,000,000 of the existing appropriation for that agency.

Analysis of the Budget increase over 1937 of \$140,326,684

Specific increases:

Roads, including Federal-aid highways, forest roads and trails, public-lands highways, etc.	110,500,000
Soil-conserving benefit payments	30,000,000
Airways weather service	747,861
Experiment station and agricultural extension work	1,391,500
Meat inspection and indemnities for eradication of tuberculosis in cattle	277,806
Forest Service, including \$1,000,000 for Fulmer Act	1,756,177
Commodity Exchange Administration	393,500

Sundry other increases and decreases, giving a net Budget increase over 1937 of \$140,326,684, as shown above.

PERMANENT APPROPRIATIONS

Permanent appropriations, not carried in the bill, but providing funds for the Department of Agriculture for 1938 over and above those in the bill, total

\$127,228,665

Appropriations, including reappropriations, carried in the bill for the Department of Agriculture, as finally agreed to in conference

802,245,208

Grand total, permanent and regular annual appropriations, Department of Agriculture	929,473,873
Regular annual appropriation for the Farm Credit Administration	4,000,000

Grand total, regular annual and permanent appropriations, Department of Agriculture and Farm Credit Administration	933,473,873
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Permanent annual appropriations, special and trust funds, Department of Agriculture

Item	Appropriation for 1937	Estimates for 1938	Increase (+) or decrease (-) 1938 estimates compared with 1937 appropriations
Extension Service: Cooperative agricultural extension work (Smith-Lever Act).....	\$4,606,096	\$4,701,165	+\$95,069
Forest Service:			
Payments to States and Territories (national-forest fund).....	995,891	1,100,000	+104,109
Payments to school funds, Arizona and New Mexico (national-forest fund).....	31,685	20,000	-11,685
Roads and trails for States (national-forest fund).....	350,000	400,000	+50,000
Cooperative work (contributed funds).....	2,000,000	1,000,000	-1,000,000
Biological Survey: Payments to counties under Migratory Bird Conservation Act.....	6,500	7,500	+1,000
Agricultural Adjustment Administration: To carry into effect the provisions of sec. 32, act of Aug. 24, 1935, relating to the exportation and domestic consumption of agricultural commodities.....	1 109,139,621	1 120,000,000	+10,860,379
Total.....	117,219,793	127,228,665	+10,008,872

¹ \$110,000,000 of this appropriation for 1937 and 1938 is made available in the accompanying bill for "conservation and use of agricultural land resources."

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the committee has brought in a conference report indicating an agreement upon a figure which is \$2,050,000 above what the bill was when it passed the House, and about \$59,100,000 more than it was when it passed the Senate. I have been over the matters in difference as to amounts, and roughly, as far as I have been able to determine, the low figure of either House was agreed to 5 times out of 44 times, and the high figure or one in between, 39 times out of 44 times. Frankly, I must say, if we are going to economize, we must get more of economy than this report indicates.

Mr. CANNON of Missouri. Mr. Speaker, in answer to the gentleman's suggestion, this bill is more than \$3,000,000 below the Budget estimate. The Senate made a formal cut of \$60,000,000 in the soil conservation and domestic allotment item, but the Government has made a proposition to the farmers of the Nation, and after the farmers have accepted the proposal and carried out their part of the agreement, the United States Government must redeem its pledge and provide money to pay the farmer the amount to which he is entitled under the law of contracts.

Eliminating this amendment the bill is \$1,880 below the Senate bill and is an economical bill notwithstanding the fact that it provides in a large measure items which are not purely agricultural in nature. For example, the difference between the Budget estimate this year and the amount of the bill last year is \$140,000, and out of that amount \$110,000 is for highways, a matter which is of interest to the country generally and in no sense a purely agricultural appropriation.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I am glad to yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Is it not a fact that this bill is the biggest bill for the Agricultural Department that has ever been enacted in the history of the country?

Mr. CANNON of Missouri. Not when you eliminate the items not directly chargeable to agriculture. And such increases as have been made are in response to the mandate of Congress as expressed in legislation which this House has enacted in the last 2 years. Practically every addition to this bill and every increase in the amounts it carries have been made in response to legislation passed by the Congress since the last bill was adopted.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kansas, the ranking minority member on the subcommittee.

Mr. LAMBERTSON. Is not every agricultural bill and every bill this year of every subcommittee larger than any preceding one ever was, except possibly the legislative bill? I see representatives of the other subcommittees in the Chamber and I see the gentleman from North Carolina rising.

Mr. UMSTEAD. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. Yes.

Mr. UMSTEAD. Mr. Speaker, I thought it had been stated so many times that it was now known by all Members of the House that the naval appropriation bill was not only under the amount appropriated last year, but was \$37,000,000 below the Budget estimate. I therefore do not understand why it is that my good friend from Kansas, and many others in the House, still insist that there was no reduction in the naval appropriation bill. The record should be correctly stated.

Mr. CANNON of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. THOM].

Mr. THOM. Mr. Speaker, this appropriation bill for the Department of Agriculture contains an allocation of \$3,000,000 to continue the purchase of land for forest reserves. Those purchases are made under the auspices of the National Forest Reservation Commission. A program has been laid out under which new national forests are to be established in a number of the Middle and Southern States which heretofore have never had such benefits.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. THOM. I yield.

Mr. BIERMANN. Do those national forests include the forest in southern Iowa?

Mr. THOM. Yes.

Mr. BIERMANN. We will actually get that, then, will we?

Mr. THOM. I am coming to that.

About a year or two ago the National Forest Reservation Commission set up a rule that no further purchases should be made in any units that have been located unless there have been already 20 percent of the lands in those respective units purchased.

Mr. DOXEY. Mr. Speaker, will the gentleman yield?

Mr. THOM. I prefer to wait until I state the proposition and then I will yield to the gentleman.

Now, the effect of that rule as set up by the National Forest Reservation Commission was simply this, that in many of the various forest units progress has stopped. In many of those units that have been located, options have been secured on behalf of the National Forest Reservation Commission, and it was naturally expected that land would be duly purchased under those options. Then came this rule of the National Forest Reservation Commission which stopped all purchases unless 20 percent of the unit had already been procured and the title was in the name of the United States Government.

This bill contains this provision:

That \$1,000,000 of the \$3,000,000 appropriated shall be available only for purchase of lands in purchase units where as much as 20 percent of the lands within such purchase units have not heretofore been acquired.

In other words, the rule of the National Forest Reservation Commission was to be lifted so far as \$1,000,000 of the appropriation in this bill is concerned. I reluctantly agreed in conference that this provision should go out, so that we have for the next year the same provision standing, that no purchase shall be made in any unit unless 20 percent heretofore has been acquired.

Now, the point I want to make is this: Representatives of Iowa, Indiana, Missouri, and Ohio—I think nine States in all—are dissatisfied and feel that they have been discriminated against for the reason that their forest units are not being added to, and the work on them has practically stopped.

Without any further discussion, this is just a subtle hint to the National Forest Reservation Commission that if something is not done about this 20-percent rule, in the next session of the House of Representatives they are going to find Representatives from such States as Iowa, Missouri, and Ohio opposing any further purchase of land for forest purposes. That is the situation in a nutshell. I simply want it in the RECORD so that the National Forest Reservation Commission will be forewarned when this appropriation bill comes up next year.

Mr. DOXEY. Mr. Speaker, will the gentleman yield?

Mr. THOM. I yield to the gentleman.

Mr. DOXEY. Mr. Speaker, I appreciate the gentleman from Ohio yielding to me and I do not desire to prolong this discussion, but since the gentleman has given a gentle hint to the National Forest Reservation Commission, of which I am proud to be a member—and the membership of that Commission is composed of three Cabinet members, two Senators, and two Members of the House—I want to ask the gentleman from Ohio [Mr. THOM] if he thinks that Commission, with a mealy sum of \$3,000,000 can do anything worth while toward the acquisition of any forest lands, whether it is in those units where there has been 20 percent or less of the land purchased, or anywhere else. For the information of the gentleman, I want to tell him that the National Forest Reservation Commission adopted this policy of not purchasing any lands in units established where the purchase had not been 20 percent or more of the total number of acres supposed to be purchased; but it was not because of any desire on the part of the Commission. It was purely for the reason that we had no money with which to function. We have something like 60 forest units in the United States, throughout the various States in the Union, where they have a set-up that is going, and a great percentage of the acreage in the units have been purchased, because the States have complied and cooperated in many ways, and they began back under the Clarke-McNary Act.

States like Ohio, Iowa, Indiana, Missouri, and those other States mentioned, have just come into the picture because they have just become forest-minded with reference to the solicitation of Federal aid, and have passed State laws whereby they could come in. We do not have the money to develop these units, although we have established these units. We desired to go into those States and establish and develop national-forest units. We established them and did take some options. But our money ran out and we just had to do the best we could. I am one member of that Commission. The distinguished gentleman from Michigan [Mr. WOODRUFF] is also a member; Senator GEORGE, of Georgia, and Senator BRIDGES, of New Hampshire, are members. The Secretary of War is chairman, and the Secretary of Agriculture and the Secretary of the Interior are members. Our Commission has no desire to adopt just any kind of a policy, but on account of lack of funds we had to determine how best to spend our limited funds. I ask the gentlemen who are interested, and the distinguished member of the Committee on Appropriations if he thinks that \$3,000,000 could do anything toward satisfying those States, like Indiana, Ohio, Iowa, and the other States, which would in any way comply with the request or the gentle hint that the gentleman has given?

If this Congress will appropriate the money, our Commission will spend it, and I may say we will get value for what we spend. The record of our Commission speaks for itself and I know, and I feel you gentlemen know, that what money we have spent has been spent well and wisely. We have made our money go as far as possible. The work of the Forest Service and of the National Forest Reservation Commission in my judgment is outstanding. If the money is provided by Congress, we can purchase land in these units. If we do not have the money, we can give little relief to our interested friends, whom we would like to help if we had the money.

I do not know whether the Commission is going to lift this policy or not, but I do know that \$3,000,000 is not going

to be a drop in the bucket toward acquiring additional land in any of the eighty-some-odd forest units in the United States. Nobody wants to cooperate more than I, but it is a question of money available and not desire. May I, in my turn, hint to Congress that the National Forest Commission cannot buy lands if they do not have money. If \$3,000,000 is all the money we are to have, we shall use discretion and our best judgment and make it go as far as we can. I thank the gentleman for yielding to me.

Mr. THOM. I hope that the National Forest Commission puts into effect—and it has the power to—this provision eliminated from the bill now permitting \$1,000,000 to be used in those sections where there have not been purchased lands aggregating 20 percent of the unit proposed.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. THOM. I yield.

Mr. WHITTINGTON. I would remind the gentleman from Ohio that the same situation that he states obtains in Ohio obtains likewise in other sections of the country, especially in the State of Mississippi and that part of the State wherein my district lies. I believe that the remedy is not so much the giving of direction to the Commission as it is the giving to them of additional appropriations to purchase new land.

Mr. THOM. It ought to be divided equitably between the States.

Mr. DOXEY. May I ask the gentleman from Ohio if he thinks that even if all of this \$1,000,000 were used in the way he suggests—and I do not know whether it will be so used or not—would it aid in any way to substantially relieve the condition that now exists in Ohio and Iowa and some other States?

Mr. THOM. It would to the extent of \$1,000,000.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, with the disposition of this conference report we shall have made material progress in the enactment of the supply bills for the coming fiscal year. When the House adjourned last week there were still six bills undisposed of—the Agricultural bill, the District bill, the relief bill, the two War bills, and the Interior bill. We have just agreed to the conference report on the District of Columbia appropriation bill. The conference report on the relief bill will be ready for report to the House this afternoon. And with the disposition of this conference report, only the War Department bills and the Interior Department appropriation bill remain. The conferees on the War Department bill are in session at this time and hope to reach an agreement before they adjourn tonight. The Interior Department bill is in the Senate, and we hope to be able to send it to conference not later than tomorrow; so, barring unforeseen delay, we expect to be able to secure enactment of the supply bills before the end of the fiscal year, day after tomorrow.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman from Missouri yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Mr. Speaker, it seems to me we are fast reaching a critical situation in the purchase of timberland. We are fast reaching the point where we must put a stop to this competition between the States to sell land to the Government and then have the Government build roads through it and clean it up. Unless we call a halt to this program it is going to prove to be an endless outlet for Government expenditure. I think it is creating an alarming situation and that Congress must meet the situation and stop the purchase of forest land before it gets too wildly extravagant.

Mr. CANNON of Missouri. Mr. Speaker, that is a matter of opinion. The committee has been severely criticized, for instance, because it failed to report out the full authorization of \$14,000,000 for the acquisition of land, which passed the House last session. The appropriation carried in this bill for the acquisition of lands, generally, is the minimum and

is relatively unimportant in comparison with the real agricultural issues the gentleman might have discussed this afternoon. Mr. Speaker, agriculture was the first to suffer when prices dropped in 1920 and the last to recover. Even under the Agricultural Adjustment Act recovery was disproportionate and farm prices lagged far behind industrial prices and union wage scales. When this session convened no pledge to the country was more emphasized than the pledge to stabilize agricultural prices and give the farmer his fair share of the natural income.

The need for legislation was intensified by the decision of the Supreme Court nullifying the A. A. A. and by legislation which has widened the disparity between agriculture on one hand and labor and industry on the other. Laws have been enacted by this Congress artificially increasing the farmer's cost of living and raising the price of practically every item entering into his cost of production. Up to this time the relief Congress was pledged to provide has not materialized. Now that harvest is approaching wheat has dropped approximately 30 cents per bushel. For the last 2 months the price of hogs and cattle has been going down while the price of beef and pork has been going up. The farmer's share of the national income is steadily decreasing. Instead of relieving the farmer, this Congress is adding to his burdens. We have passed laws adding to the price of his coal and his fuel oil, legislation increasing his costs of transportation, legislation raising the price of every manufactured article he buys. All this legislation has the approval of the farmer. He believes in high wages, short hours, liberal returns on invested capital, and a high standard for living for both labor and industry. But he also is entitled to a fair wage for his labor, an honest price for his products, and an adequate return on his own investments in land and equipment.

This Congress has ignored his rights, forgotten its pledges, and utterly failed up to this time to take any steps to bring about the long-promised parity for agriculture. The gentleman from Kansas might have discussed this situation. He might have urged legislation to meet the situation. Time is short. We are nearing the end of the session. If we expect to enact farm legislation it must be done promptly. I trust the gentleman from Kansas and all other Members who are interested in carrying out the pledges made by all political parties over the last 10 years to bring agriculture up to a plane of economic equality with labor and industry will join in urging consideration of a farm bill at this session of Congress.

Mr. CANNON of Missouri. Mr. Speaker, inasmuch as no Member desires to be heard on the conference report I move the previous question on the conference report.

The previous question was ordered.

The conference report was adopted.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 88: Page 74, line 18, after the colon strike out the balance of line 18 and all of lines 19, 20, 21, and 22, and insert in lieu thereof the following: "Provided further, That not to exceed \$450,000 from the administrative funds authorized by the act approved November 9, 1921, and acts amendatory thereof or supplemental thereto, in addition to the amount remaining available under the authorizations contained in the Agricultural Appropriation Acts approved May 27, 1930, May 17, 1935, and June 4, 1936, shall be available, in the total amount of \$1,360,000, for the construction (including the cost of a site already acquired) of a laboratory for permanent quarters for the testing and research work of the Bureau of Public Roads."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 88 and agree to the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 124: Page 97, line 2, after the word "item" insert a colon and the following: "Provided further, That such amount

shall be available for the purchase of seeds, fertilizers, or any other farming materials and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary of Agriculture in the 1937 programs, for the reimbursement of the Tennessee Valley Authority for fertilizers heretofore or hereafter furnished by it to the Secretary of Agriculture for such purpose, and for the payment of all expenses necessary in making such grants including all or part of the costs incident to the delivery thereof."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 124 and agree to the same.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. CANNON of Missouri. Yes.

Mr. TABER. Mr. Speaker, I always supposed that the Tennessee Authority was granted funds by the Deficiency Committee for the fertilizer experiments they were conducting. Does this not give them funds from another source out of the Public Treasury?

Mr. CANNON of Missouri. Mr. Speaker, this allocation has been in effect for a number of years. Seed and fertilizing material have been supplied by the T. V. A. for experimental purposes without special authorization. But the General Accounting Office has now raised the question of authorization, and in order to place the allocation beyond question, this provision is included in the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 126: Page 98, after line 8, insert:

"INTERCHANGE OF APPROPRIATIONS

"Not to exceed 10 percent of the foregoing amounts for the miscellaneous expenses of the work of any bureau, division, or office herein provided for shall be available interchangeably for expenditures on the objects included within the general expenses of such bureau, division, or office, but no more than 10 percent shall be added to any one item of appropriation except in cases of extraordinary emergency, and then only upon the written order of the Secretary of Agriculture: *Provided*, That a statement of any transfers of appropriations made hereunder shall be included in the annual Budget."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. TABER. Mr. Speaker, this is the provision with reference to the transfer of not to exceed 10 percent of the amount of money which has been appropriated.

Mr. CANNON of Missouri. Mr. Speaker, this provides for interchange within bureaus only, and does not permit interchange as between bureaus of departments. This provision has been carried in the annual bill for 15 or 20 years, and was included in this year's bill, but was stricken out on a point of order, as the gentleman will recall, because we added a provision that a statement of such transfers be included in the annual Budget.

I know the gentleman will agree that the annual Budget should show all transfers of this character, but the inclusion of that additional matter made it subject to a point of order, which was sustained. The Senate restored the item and now we propose to agree to the Senate amendment.

Mr. TABER. Does not this give the Bureau the opportunity to spend a lot of money that otherwise might be recovered?

Mr. CANNON of Missouri. No. It is the same item we have been carrying for many years and merely provides for an interchange within a given bureau.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 134: Page 103, strike out lines 9, 10, and 11, and insert the following:

"That for each of the fiscal years ending June 30, 1938, and June 30, 1939, the apportionment for forest highways in Alaska

shall be \$350,000 and the remainder of the sums which otherwise would be apportioned and prorated to Alaska for said fiscal years shall be reapportioned in the same manner and on the same basis as provided in the second paragraph of section 23 (a) of the Federal Highway Act among those States whose forest highway apportionments for the fiscal years 1938 and 1939 otherwise would be less than 1 percent of the entire apportionment for forest highways."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. Without objection, a motion to reconsider each of the motions will be laid on the table.

There was no objection.

FARM TENANCY BILL

Mr. JONES. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7562, to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes, and pending that motion, Mr. Speaker, in order to save time, I ask unanimous consent that all Members may have 5 legislative days within which to extend their own remarks on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. JONES]?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7562, with Mr. DRIVER in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

THE TENANT PROBLEM

Mr. JONES. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, in view of the time limitation and the great demand for the privilege of speaking by those who are interested in this bill, I am going to request the Members not to ask me to yield for questions at this time. I hope they will defer any questions they may wish to ask me until the measure is taken up under the 5-minute rule.

I have handled many measures for this administration. In fact, it has been my privilege to handle practically all of the farm legislation. During this period there has been no problem that presented as many difficulties as that of farm tenancy.

We had rather extensive hearings. There were many witnesses. No two of these witnesses agreed as to all of the details of the program. When the hearings had been finished, no two members of the committee were in complete accord on all phases of the subject.

THE PROBLEM OF THE LAND

The problem of the land is as old as history. Contact with the soil is as essential as sunlight and air. There can be no life either in the vegetable or the animal kingdom without the products of the land. All life gets its sustenance from the soil.

It is not surprising, then, that disagreements and disputes should arise in reference to any general land policies. In Biblical days disputes arose between Abraham and Lot in reference to access to the land, and this compelled a separation. Throughout all history disputes have arisen as to land and land policies.

To permit the private ownership of land as a basis for a home and at the same time to prevent too great an accumulation of land in the hands of a few is a problem that practically all countries have been compelled to meet face to face.

INCREASE IN TENANCY

Fifty years ago less than one farmer in four was a tenant. There has been a gradual increase through each decade until now about 42 percent of the tillers of the soil are tenants.

That it is very desirable to check this increase and reverse the trend every thinking person must admit. There are approximately 2,800,000 tenants in continental United States. Practically all of them would like to be home owners. But to accomplish this purpose is another question. It cannot be solved by the waving of a magic wand or the expressing of a wish. It cannot be solved by an appeal to the emotions or a display of sentiment. These have been indulged in for more than a generation. At the same time land ownership has grown less and less, and land tenancy more and more.

THE STARTING POINT

As a basis for beginning, two things are necessary. First, it must be made financially profitable to own a small farm home. Second, a way must be found to finance the purchase of small farm homes by owner-operators on long-time payments at low interest rates.

MAKING FARM OWNERSHIP PROFITABLE

Several steps are necessary in order to make farm ownership profitable. The prime essential is to maintain a fair price for farm products. This price is the most important single element in the whole question.

We have already made much progress along this line through the operation of the Farm Act and the farm-credit system.

I hope and expect that farm legislation of a general character will be passed just as soon as it can be properly worked out and perfected. Then there is also the question of interest rates. We have gone a long way with those in the Farm Credit Administration, but there are still some phases which have not been covered.

I agree with the remarks made today about the fine work of the Farm Credit Administration. I think Governor Myers is one of the best administrators in this Government. [Applause.] However, Governor Myers handles a business institution. He fears—and I think there is some ground for his fear—that if the bill partakes not only of business but also of some social features, although it concerns a real problem, some of those who buy the obligations of the institution may get the two phases mixed, and it may hurt the sale of obligations and injure the fine results which are being achieved by the Farm Credit Administration. Governor Myers prefers that we handle the matter in this way, and I think he has good ground for that preference. My first inclination was to follow the other route, but I came to the conclusion after study that this was the better method.

WHAT IS BEHIND THE PROBLEM?

In reality tenancy is not the problem. It is but a manifestation or a breaking out of the problem.

Neither the landlord nor the tenant has had a fair share of the national income. Behind the tenant question is the problem of price and income.

As a matter of fact, the percentage of tenancy for the Nation as a whole has not increased since 1933, but it has only been checked and has not been decreased, and it therefore remains an appalling problem. Further provision is necessary in the direction of price maintenance and in financing the purchase of family-sized farms if the problem is to be solved.

TAXES

Then, too, the question of State, county, and district taxes is extremely important. In most of the States an undue share of the taxes has been borne by the small farmers. The farm cannot get away. It is easily found. Frequently the small tract of land, both in the town and in the country, has borne a larger pro-rata share of the taxes than the larger tracts of land. Besides both the larger and the smaller tracts of land have borne an undue share of State and local taxes.

STATE COOPERATION

Much assistance can be rendered by States and subdivisions if they will cooperate in the program. It seems to me that on small tracts the taxation should be limited either by providing a small exemption or by providing a maximum total ad valorem property tax that can be levied against

small tracts. Some of the States have already taken steps in this direction. As a part of the effort to solve this situation, steps should be taken to secure State and local cooperation all along the line. Under the system now prevailing in many of the States a full property levy is made by both State, county, and district units against all lands, regardless of whether there is a crop failure or any form of income from the land. The program will be greatly handicapped in any section where this condition prevails.

In many States and localities, a portion of these taxes could well be shifted to other forms of income and property. This added inducement would go far to make any steps taken by the Federal Government in financing such a program successful. With the cooperation of the State and subdivisions, the Government could well afford to finance the purchase for worthy and ambitious tenants of a small farm home, to be paid for on long-time amortization payments at a low rate of interest. These payments could thus be made on a basis that would not cause an undue burden on the purchaser. In practically every community in America there are worthy tenants who would like to own a home and who would work hard to pay out a home if it could be purchased under such conditions as to give them an opportunity to see daylight.

A TREMENDOUS PROBLEM

The problem is tremendous and far reaching. It cannot be solved overnight. The cost would run into billions of dollars. It is necessary to start gradually and endeavor to keep on a sound basis. The problem is so difficult as to be almost discouraging at times, but this makes it all the more important that it be tackled. It is the hope that by beginning and carefully working it out progress may be made and that cooperation by the States, as well as by individuals, may be stimulated.

THREE METHODS OF APPROACH

For the time being the committee has recommended a three-wing approach to the question.

First, a provision for financing tenants in the purchase of small farm homes.

Second, rehabilitation loans for temporary aid to tenants and distressed landowners who need immediate assistance.

Third, the purchase of submarginal or other lands not primarily suited to cultivation, and the utilizing of such land for various public purposes.

Under the first provision—that is, for the financing of the purchase of small farm homes—we provide a fund of \$10,000,000 for the first year, twenty-five million the second, and fifty million the third year to be apportioned among the various States on the basis of farm population and prevalence of tenancy.

The measure provides that loans may be made not in excess of the appraised value of single unit farms to worthy tenants who will obligate themselves to repay the purchase price over a 30-year period, with interest at the rate of 3 percent per annum.

The Committee on Agriculture has provided that in each county where the program is to be put into effect, a committee of three resident farmers who are familiar with local conditions shall assist in administering the act.

It is further provided that application shall be made through such local committee and that no farm shall be selected and no tenant shall be financed except with the approval of the local committee. In this way the tenant will be consulted in the purchase of the farm, the price to be paid and the details of the transaction. It is hoped that by this select method on the part of the local committee, the program will be given its greatest opportunity to succeed.

SPECULATION

In order to avoid speculation it is provided that no purchaser shall be permitted to sell the land to other than a resident home owner who is approved by the Secretary of Agriculture until the entire obligation to the Government has been paid. In other words, the purchaser will not be able to make an unauthorized sale of his property until he has met all the terms of his obligation. This method is adopted in

order to prevent speculation in land, which has frequently been the curse both of the farmer and the home owner.

TITLE II

Title II of the measure provides for the making of rehabilitation loans to cover equipment, livestock, essential supplies, and financing.

The Resettlement Administration is abolished, effective June 30, 1937. The Secretary of Agriculture is authorized to establish the Farm Security Administration, which would administer the provisions of the pending measure.

The Resettlement Administration not only inherited the old subsistence homesteads provisions, but also was called upon to administer relief funds, which were transferred from the Relief and Public Works lump sum appropriation to the Resettlement Administration for administering this program as it pertained to the needs of the farm population.

Under the terms of that transfer, the Resettlement Administration made both loans and grants to people in the country.

We authorize the Administration to utilize any funds that may be transferred by Executive order from Relief and Public Works appropriations for such purpose.

The Resettlement Administration cared for more than 300,000 farm families through loans and grants. We have recommended the broadening of the base of these loans in order to make all those who are unable to secure credit elsewhere eligible for these loans. It is hoped that through this method many individuals may be placed in such a position as to enable them to purchase small homes through private sources.

TITLE III

Under title 3 an appropriation of \$10,000,000 is authorized to be made available for the first year and \$20,000,000 for each of the 2 succeeding years for the purchase of lands not primarily suitable for tillage. These lands may be used for any public purpose, such as parks, game preserves, recreation centers, forest reserves, or for any other public purpose.

The needs for such a program are manifest and are well known to those who are familiar with conditions which prevail, especially in certain sections of our country.

AN OLD QUESTION

The tenant problem is age old. Far back in the history of our race, in times less complex than our own, we find the farmer tilling land that did not belong to him. He did a share of the work in the agricultural village and received a part of what was produced. Such relationships between tenant and landowner are found in various ages and various types of government.

It is only natural that the idea of tenancy should reach our shores early in our own history. We know from writings of colonial days that tenancy existed at a very early date. There were many large landed estates and gentlemen farmers. Our long period of westward expansion and the opening of free land, however, delayed the development of tenancy as a problem. We were still developing, still growing. Opportunities lay always ahead. Then, with the closing of our frontiers, we settled down and began to grow as a nation.

The development of the tenancy problem has taken place largely in the last 50 years, and today we find tenancy existing in every State in the Union. It is more acute in the South, perhaps, than in any other section. This is due largely to the fact that after the War between the States there was very little money in the South, and most of the financing necessarily came from the outside. This caused interest-rate payments to flow out of that great section of the country. A money crop was necessary. The logical development was the one-crop system of cotton, because it was the single one that would produce the returns necessary to replenish the section for the outflow of money and high interest rates.

NOT LIMITED TO ONE SECTION

The rapid increase in tenancy, however, has developed into a problem in many other sections of our country. This has been due in the main to land speculation. The boom

years threw land into speculation and into mortgages. The depression years caused difficulties and foreclosures and consequent changes in ownership. Thus the number who were compelled to rent land was increased.

Any attack on the problem, therefore, must be Nation-wide in scope and not limited to any particular area. It is truly a national problem and the remedy must apply equally to all sections.

AN ESSENTIAL OF GOVERNMENT

In working to solve the tenancy problem, we are endeavoring to add strength to one of the most essential parts of every free government. We are seeking to perpetuate the home.

As long as it is possible for a man to return to his home after a day of labor in the office or in the field, and find awaiting him all the things that home means, we will have a substantial and patriotic citizenship. It is the home that is the first unit of all organized society. It is the starting point of training, the place where character building is begun. The future of our form of government depends on maintenance of the American home. That is why the tenancy measure, directed toward turning the trend back toward farm home ownership, is important.

Regardless of the merits of any other essentials of government, there can be no difference of opinion about the desirability of home ownership. To stop the trend away from home ownership and throw the tendency back in the other direction is the purpose of this measure.

The first thought of the pioneers who founded this country was to own a piece of land. The first step of practically all of them was to secure title to a small part of the land in the new America. This desire to own the land was responsible for the ring of the ax that made possible access to the land. It was responsible for the creak of the western-bound prairie wagon as the early settlers made their way to western homesteads.

THE FINEST STEP WE COULD TAKE

Unfortunately in the complex economic structure that has developed within the last few decades, much of this contact has been lost. In my judgment the Government could take no finer step than to make possible the ownership of small farm homes and to take the further step of formulating policies that would make those homes secure.

There is something in the contact with the soil that tends to build character. The Republic is anchored in its homes. The threats of those who do not at heart believe in our system of government and who wish to tear down its institutions cannot get far among a home-owning and liberty-loving people. Every man in America, whether he lives North, South, East, or West, is vitally interested in stimulating home ownership both in the country and in the city. Such a course will tend toward a stronger government and national security for all. [Applause.]

Mr. Chairman, I yield 20 minutes to the Speaker of the House.

Mr. BANKHEAD. Mr. Chairman, I am going to ask the indulgence of my colleagues for at least a portion of the time that has been so generously allotted to me by the chairman of the committee to present for your consideration and for your thoughtful meditation, not the details of the proposed legislation, but I shall undertake to draw for you a broad picture of this so-called tenant-farming situation.

As the gentleman from Texas [Mr. JONES] has so well said, I regard it as a problem of tremendous importance. I may be pardoned for making a personal reference, maybe, to explain my inherited interest in all farming problems. My direct ancestors on both sides of my house for 150 years in this country have, without exception, until my generation, been tillers of the soil; and if there is anything in the theory of inherited predilections, I imagine that may account in some measure for my deep interest in all agri-

cultural problems, aside from their grave economic manifestations.

Now, it has been said that the Congress of the United States in the last few years has been particularly solicitous of and generous to all of our farm problems, and I think this is true. I think that we men who represent largely agricultural districts are under a debt of everlasting gratitude to the Members of Congress from the great industrial centers, and particularly from the great cities of the United States, for the consistent and uniform support they have so ungrudgingly given to these great measures for agricultural relief [applause], because, Mr. Chairman, to any thoughtful man, whether he lives in a great city, whether he abides in an area of congested population, upon reflection, must know the absolute indispensability to life and to society and to progress of the products of the farm. The clothes that you wear, the shoes with which you are shod, the food which you consume to continue your life, the shelter that is over you to protect you from the vicissitudes and inclemencies of the elements all directly are remotely come from the good earth; and farms are operated by men, and it is the present condition of a large segment of the agricultural population that has particularly appealed to our consideration and has afforded the basis for this legislation—the farm-tenant class of our population.

A little later, if I have the time, I shall incorporate in the RECORD for your study some statistics as to the number of farm tenants in the country, according to the census of 1935, the number of operating farm tenants, and the number of their families. It is a rather staggering thing to contemplate that, today, practically one-third of our entire farm population is in the class for whose interest we are undertaking to legislate today; and one of the disturbing factors in a study of the whole problem is the increasing, the constantly increasing, number of farm tenants in some sections of our country; not particularly in the South, because our farm-tenancy situation in the last few years has been, in a way, diminishing, but in the great wheat and corn and cattle sections of the country there has been a tremendous increase, which is a challenge to us to undertake to meet and master, if we may, this acute economic problem.

But what about this man I am talking about—this tenant farmer? Oh, it has been said, and argued with some reason, that if a farmer is of any value, if he has any initiative, if he has any backing and capacity, if he has any ability, he can get along, he can borrow money, he can make his way without any governmental assistance; but those of us, Mr. Chairman, who are intimately familiar with this problem, know that that is not always true. I may call your attention to the fact that down in my section of the country, and especially in the hill sections of the South, some of these poor tenant farmers, by descent, are of the best blood of this Republic, sons of the Cavaliers and of the Huguenots, who moved into that section of the country, and decade after decade, because of disadvantages to which they were subjected, which I shall not have the time now fully to enumerate, from generation to generation they have gone from bad to worse in their efforts to sustain themselves according to the traditions and standards of their ancestors; but the very system and environment by which they have been surrounded has made it absolutely impossible.

I am going to be perfectly frank about this thing. I do not know conditions in other sections, but I wish that some of you could visit some of the tenant farms in my section of the country, both white and colored, and see the desperate and hopeless situation by which they have been submerged, I claim, not entirely in all cases because of their own incapacity, but by reason of these circumstances to which I have referred, lack of credit facilities, poor prices year after year for their products, the isolation of their families from contact with their neighbors, their inability to form cooperative associations and to assemble themselves into unions as

those in the industrial centers have done for the protection of their interests.

And there stands a desolate, hopeless, dejected man, working some other man's property, pillaging it, despoiling its rich resources by virtue of the fact that it is not his, but some other man's, and at the end of the year, when they cast up the account, this man who has worked in season and out of season during the whole crop season finds himself with no profit with which to go through the winter, with nothing with which to buy magazines, medicines, or comforts for his family. It is a rather pathetic picture, and as a man representing that section of the country I am ashamed, almost, to describe it here before my colleagues, but God's truth is the God's truth wherever we stand face to face with it. I do not know that the allegory applies all along the line, and some of you may think that it is a fanciful description, but I tell you that the condition of the farm tenant in some sections of the country does not fall far short of that great allegorical poem, *The Man With the Hoe*, because he is in large measure the forgotten man of agriculture—the man with the hoe—as described by Edwin Markham:

Bowed by the weight of centuries he leans
Upon his hoe and gazes on the ground,
The emptiness of ages in his face,
And on his back the burden of the world.
Who made him dead to rapture and despair,
A thing that grieves not and that never hopes,
Stolid and stunned a brother to the ox?
Who loosed and let down this brutal jaw?
Whose was the hand that slanted back this brow?
Whose breath blew out the light within this brain?
Is this the thing the Lord God made and gave
To have dominion over sea and land;
To trace the stars and search the heavens for power;
To feel the passion of eternity?
Is this the dream He dreamed who shaped the suns
And pillared the blue firmament with light?

Slave of the wheel of labor, what to him
Are Plato and the swing of Pleiades?
What the long reaches of the peaks of song,
The rift of dawn, the reddening of the rose?
Through this dread shape the suffering ages look;
Time's tragedy is in that aching stoop;
Through this dread shape humanity betrayed,
Plundered, profaned, and disinherited,
Cries protest to the judges of the world—

And we here in the Congress of the United States are his temporal judges this day, my friends. [Applause.] As the chairman of this great committee has so well said, "It is a challenge not only to our humanity, but to our economic judgment." What is the ultimate success of farming in this country? The purchasing power in the aggregate of the producers of the country. And when you deprive a man, as has been suggested, of the impulse and the passion to succeed, that is generated by the consciousness that he is working on his own acres, as the gentleman from Texas so well said, "You hasten tragedy, for there is something in the very thought and sentiment of ownership that seems to give some type of almost divine afflatus to the efforts of a man, no matter how humble he may be." Do you own a farm, do you own a lot in the city, have you fee-simple title to your own property? Subconsciously the satisfaction is great to go out on your own acres, on your own land, put your foot down upon it, look up into the sky and say this, thank God, this little bit is mine. [Applause.] But not so with these drifters, these unhappy, these distressed men. And they are the men—there are 3,000,000 of them in the United States of America out of our total farm population—whom we are seeking in this very limited approach to undertake ultimately to salvage and save and "rebuild in them the music and the dream", to give to them as far as possible that feeling of ownership, of their own, which I have so feebly undertaken to express.

Oh, it is candidly admitted that this bill does not go very far. I heard the strictures of the gentleman from North

Dakota [Mr. LEMKE] with reference to the inadequacy of this bill. It is admittedly only capable of reaching a very negligible percentage of those who need this assistance, but it is the establishment by the Congress of the United States of a policy, as suggested by the gentleman from Texas [Mr. PARMAN] in his short statement this morning. A great many other useful things that have taken deep root in our governmental enterprises started as experiments. I very well recall when my honorable father was pioneering here in Congress for Federal aid for the improvement of our national highways. It was regarded as a dream, as unconstitutional, and never possible of accomplishment, and he was content to take an experimental appropriation of \$75,000 to see if it would work in practice as in theory. And you see the result. Take the delivery of the mail. The rural free delivery of the mail started as an experiment on a very short route. Who would take that away today from the American people? The same with the parcel post and with our present system of vocational education and farm extension. It all started in a small experimental way, and probably after all, my friends, although I would prefer to have had \$50,000,000 appropriated for this bill, though we could not get it—and there have been sound reasons, I think, on the part of the administration in view of our present fiscal condition, to try to trim down as far as possible these appropriations—probably in the long run it may be best for us to feel our way with this thing, to set up an organization, and I hope that organization is going to be a practical thing to be handled by practical men who will be on these county committees all over the country, and not encourage tenants to take up a four or five thousand dollar nicely painted house with lightning rods all over it, and other burdensome and at first unnecessary improvements.

He can go out and build a log house to start with; just the meager necessities, provided it would be his own. I think the biggest factor today in this whole problem, intensified upon the part of those people who are to be served by this legislation, is the fact that they are going to be given an opportunity to show that they can make good as practical farmers; can put off the sackcloth and ashes that they have worn for so many years with an inferiority complex and stand up and look into the face of the sun and their Creator and say, "By the generous grace of a sympathetic Government I am being given another opportunity to prove 'the mettle of my pasture.'"

As I conceive it, that is the objective of this legislation; and we will work it out, I think, if we can get a start here—not too fast. I do not want to go precipitately, because of all the measures that have ever been proposed in the Congress of the United States this is one thing that I do not want to see fail by a bad start. So, Mr. Chairman, in this rather fragmentary fashion I have asked the indulgence of the Committee to submit for their consideration the spirit and, if I may use the word, the sacrament of this legislation. The thing that has animated my ambition about it, my desire to help in it, has been very feebly expressed, but I feel that it is possible for this great Government of ours, without assuming in the long run too great burdens, to take up out of the dust these men, to nurture them to freedom by friendly assistance and Government instruction and leadership, to make them again independent, self-supporting, and extremely useful citizens for agriculture, and for all of the best interests of our Republic. I do hope that this bill will pass without any substantial modification. If there are any differences of judgment between this body and others on the details of this legislation, it may well be ironed out in conference.

I thank you very much. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.
There was no objection.

Mr. BANKHEAD. I append hereto two tables of statistics. The first shows the total of white and colored farm population and total tenants by regional group, as follows:

Division and State	All farm population	All tenants (white)	All tenants (colored)	Total tenants
United States.....	31,800,907	10,264,801	2,955,633	13,220,434
Geographic divisions:				
New England (Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut)	711,486	56,571	191	56,762
Middle Atlantic (New York, New Jersey, Pennsylvania)	1,903,933	330,128	1,961	332,089
East North Central (Ohio, Indiana, Illinois, Michigan, Wisconsin)	4,769,078	1,470,207	6,903	1,477,110
West North Central (Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas)	5,108,220	2,158,258	24,899	2,183,157
South Atlantic (Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, District of Columbia)	6,203,592	1,727,988	1,047,703	2,775,691
East South Central (Kentucky, Tennessee, Alabama, Mississippi)	5,335,291	1,672,216	1,063,244	2,735,460
West South Central (Arkansas, Louisiana, Oklahoma, Texas)	5,387,844	2,299,855	774,460	3,074,315
Mountain (Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada)	1,188,018	310,635	6,062	316,697
Pacific (Washington, Oregon, California)	1,193,445	238,943	30,210	269,153

The second table shows by group total number of farmers, total white and colored tenants, and the total of all tenants.

Division and State	All farm operators	All tenants (white)	All tenants (colored)	Total tenant operators
United States.....	6,812,350	2,222,184	642,971	2,865,155
Geographic divisions:				
New England.....	158,241	12,164	46	12,210
Middle Atlantic.....	397,684	63,920	351	64,271
East North Central.....	1,083,687	317,231	1,523	318,754
West North Central.....	1,179,856	497,251	5,513	502,764
South Atlantic.....	1,147,133	336,991	193,951	530,942
East South Central.....	1,137,219	369,666	253,967	623,633
West South Central.....	1,137,571	495,517	181,383	676,900
Mountain.....	271,392	70,979	1,106	72,085
Pacific.....	299,567	58,465	5,131	63,596

Mr. HOPE. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Chairman, I know I speak the sentiment of every Member who has been in this Chamber during the last 20 minutes when I say the address just delivered by the Speaker of the House has been an inspiration to us all. [Applause.] He and the chairman of the committee, the gentleman from Texas [Mr. JONES], in presenting this bill, have lent a dignity to this debate and a tone which the importance of the measure amply warrants.

My excuse for inflicting myself upon you for 15 minutes is due to the fact probably that I have been bound by a tradition very much like the tradition described by the Speaker a few moments ago. No member of my family during the last 150 years has been engaged in any business but farming. I refer to that group of the family that lives in a certain area in western New York. It has always been a fascinating problem to me. I have never been able to tear myself away from it. Indeed, I have not tried. I join with the prayer of certain Members that the Congress adjourn quickly, that I may go home.

We are starting on a tremendous experiment. It has been with great reluctance that I have been brought to the conclusion that we should start on such an experiment. My inclinations have always been against the Government of the United States taking any part in business or in financing what might be termed private commercial undertakings, be it upon a farm or in a factory.

But this question of farm tenancy and its underlying problems have become of such immense importance in the life of the Nation, important from its social and political aspects, as well as economic, that reluctantly, as I admit, I have come to the conclusion that the Federal Government should undertake this cure. [Applause.] At the same time I am not unmindful of the fact that governments, like individuals, may make fearful mistakes in the management or financing of business. While I am willing to see—indeed while I am more than willing to see this experiment start, and I rejoice that it is in a small way, nevertheless I can visualize some mistakes which may be made which may bring it to failure in the future. When I endeavor to point out those mistakes I beg of you to believe that I do not boast of knowing everything there is to know about farming. Indeed, I have never met a man who knows everything there is to know about farming. But there are certain fundamental things which every good farmer, at least, knows; certain fundamental principles the violation of which over any considerable period of time will bring any farming operation to ruin, no matter in what part of the country it is undertaken.

Farm troubles in this country which, of course, have been made much more acute as the result of drought, have been growing upon us for 20 years or more. Some of them have an economic origin, the loss, for example, of our foreign markets, in which we were accustomed to rid ourselves of surpluses of certain crops; accidents, acts of God as they are sometimes denominated: Drought, floods, and in recent years, very, very extensive droughts; and then, if you will not regard it as impertinent, bad farming. We might just as well admit that in certain directions and in certain important areas one of the contributing elements to farm distress has been unsound farming. I do not mean to seem to scold, but I cannot blind myself to facts. My concern with respect to this bill is that the Government, if it is to finance the purchase of farms and lend 100 percent of the value of the farms to the purchasers, shall see to it, if possible, without undue regimentation, that sound farming be practiced; otherwise, Mr. Chairman, from 25 to 50 percent of the effort will go to waste. Bear in mind that tradition of which I spoke and of which the Speaker spoke—in fact, I got it from my father and he in turn got it from his father—that the best thing for the land is the foot of the owner, an old-fashioned farming adage. It implies that the owner is exercising constant care and thought as he tramps across his acres, that he loves those acres, and is intent so to manage his farm that the fertility of the soil shall not be impaired. Impair the fertility of the soil and the capital investment is impaired, for the real capital of a farm is its fertility.

It so happens that I live in a strictly farming region in which very, very few requests for aid under this bill will arise. I live in a region fortunate above the average region. In it very, very little demand for agricultural relief has arisen in the last 20 years. I can say to you without the violation of any confidence or the exposure of any secret that within the 5 years that I have had the honor of serving in the House of Representatives I have had only two letters from farmers in my county, Livingston, in the Genesee Valley of western New York, requesting farm-relief legislation. This does not mean that they have not had their troubles; this does not mean that the depression did not hit them exceedingly hard in certain directions, but it does mean to me—and I would have this borne in upon you—it does mean to me that the tradition of sound farming has been practiced in that particular area so long as not only to assure a preservation of the fertility of the soil but also to assure a preservation of the spirit of independence of the owners. This region is not alone; there are many other regions equally fortunate. I am thoroughly and intimately acquainted with a system of farming which has been in operation for 120 years. It is practiced not only by owners but by tenants; and whenever I think of this bill and the possibilities of the future in connection with it, my thoughts revert to this thing with which I am familiar: It is utterly

against the rule, a self-enforced rule, I may say, for the good farmer in the region where I live to sell any rough fodder off the farm; it must be fed to livestock. Through the feeding of livestock the fertility is maintained.

I am in possession of records which show that these particular acres—and there are many, many farms under all kinds of ownership—these acres are producing as many bushels of wheat, of oats, of corn, and other crops as they did 110 years ago. This is the result of sound farming.

Uncle Sam now proposes to finance the purchase of farms and to put carefully selected men upon them. As you all know, I am constitutionally opposed to undue regimentation of the individual by the State, but if the State is to go into this financing of commercial undertakings and is to risk 100 percent of the value of the undertaking, it may become indispensable for the State to see to it that the property the purchase of which it has financed is not injured by unsound practices. Unsound farming extended over 3 or 4 successive years can just about destroy the present productiveness of a farm. Unsound farming extended over 3 or 4 years may require 5, 6, or 7 years of unremitting effort for the restoration of the capital; in other words, the fertility of the soil.

This is not an easy thing that we are attempting; we shall not solve it today. I am waiting to hear with great interest the discussion of the amendments to be offered by the gentleman from Iowa [Mr. BIERMANN], one of which I believe impinges upon this question I have just touched upon. This is an enormously difficult thing. I am not afraid to have the Congress tackle it, but we would better not tackle it with a hysterical enthusiasm, an excessive confidence that will lead us to make all kinds of promises to all kinds of people that agricultural Utopia is at hand.

I greet the presentation of this bill in a sympathetic spirit. There are one or two things in it which I think should be changed. In general I acknowledge that this problem has become so great and so significant with respect to the future of this country that the time has come when Uncle Sam should make it his business to do what he can to help. [Applause.]

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. DOXEY].

Mr. DOXEY. Mr. Chairman, in the brief time at my disposal I cannot enter into an exhaustive discussion of this measure, but I cannot repress the impulse to comment upon the atmosphere of good feeling that is manifest in the general debate on this bill. Our distinguished chairman of the Committee on Agriculture, appreciating that we had but a limited time in which to discuss this bill, took but a few minutes. He was followed by our beloved Speaker, whose wholesome remarks were received by you with marked attention. Our distinguished Speaker made not only a logical, sound, and effective presentation of the farm-tenancy problem but he brought you a wealth of information which must convince even those who are strangers to the problem that it is most serious.

We appreciate, I know, the three very brilliant speeches that have been made, including the speech of my distinguished friend from New York [Mr. WADSWORTH], on the other side of the aisle, who talked in such a convincing and sincere manner. I say we do appreciate hearing these gentlemen at this time for their speeches show not only their interest in this problem but also their firm grasp of this farm-tenant situation in which so many of us are vitally interested.

Mr. Chairman, realizing that the time for general debate on this bill is limited and that quite a number of Members desire to speak on the bill, I propose to be brief in what I wish to say here today regarding the bill that we are now considering, H. R. 7562, known as the farm-tenant bill.

This bill is substantially the same as H. R. 6240, which was reported by our Committee on Agriculture to this House some several months ago.

The reason we are now considering H. R. 7562 instead of H. R. 6240 is that in our efforts to get a rule to bring H. R.

6240 before the House for a vote we had to compromise with regard to the amount of the appropriation.

Under this bill, H. R. 7562, authorizations of appropriations under title I of the bill (tenant provisions) are limited to \$10,000,000 for the fiscal year 1938, \$25,000,000 for the fiscal year 1939, and \$50,000,000 for the fiscal year 1940.

Under title II (rehabilitation provisions) the \$75,000,000 authorization has been eliminated, but the power of the President to allot relief funds for the purpose remains. I wish we could have secured funds to help the farmer pay at a low rate of interest the mortgage that rests on his farm, but we had to take what we could get.

Under title III (acquisition of submarginal lands) the appropriations authorized are \$10,000,000 for the fiscal year 1938 and \$20,000,000 for the 2 fiscal years thereafter.

Our original bill (H. R. 6240) carried an appropriation under title I of \$50,000,000 for each of the fiscal years ending prior to July 1, 1942. Title II of H. R. 6240 carried for rehabilitation loans an authorization for an appropriation for the fiscal years ending June 30, 1938, and June 30, 1939, a sum not exceeding \$75,000,000 for each of such fiscal years. Under this title II of H. R. 6240 we tried to take care of the farmer whose farm is mortgaged and give him the right to secure money at a low rate of interest to pay off his present indebtedness but under the new bill we had to eliminate the authorization for this appropriation. Title III of H. R. 6240 (retirement of submarginal land) carried an authorization to be appropriated the sum of \$10,000,000 for the fiscal year ending June 30, 1938, and \$20,000,000 for each of the three fiscal years thereafter.

It will not be my purpose here to discuss the reasons for the authorizations for reduced appropriations. We did the best we could and surmounted our many obstacles as best we could. It has been a hard job to get any bill at all.

On Thursday, April 29, 1937, I made a speech on the floor of this House wherein I discussed in detail H. R. 6240. That was after the Rules Committee denied the House Committee on Agriculture a rule for the consideration of H. R. 6240.

At that time I endeavored to explain H. R. 6240, section by section and title by title, and implored the Rules Committee of the House to give us a rule so we could take this legislation up in this House.

I am indeed gratified that we have been able to work out a compromise and obtain a rule for the consideration of this modified farm-tenant bill at this time, which is cited as the Farm Security Act of 1937.

This has required time, tact, effort, and the spirit of giving and taking on the part of those who have had this farm-tenant problem under consideration for quite some time.

At the outset I want us to bear in mind that the position the House Committee on Agriculture takes, as evidenced by this farm-tenant bill and the provisions contained therein, differs materially from the position the Senate Agriculture Committee takes, as evidenced by the provisions of the Senate farm-tenant bill, S. 106.

Of course, I do not know in what respects the membership of this House will amend this farm-tenant bill that the House Committee on Agriculture has worked so hard and long on.

We have brought it on the floor of this House wide open for amendments and after general debate, it will, of course, be read under the 5-minute rule, and I know various and sundry amendments will be proposed.

Of course, no one knows what the final vote will be or in what form this House will pass this bill. However, I trust that we will pass this House farm-tenant bill in substantially the same form as it is now being presented to this House by our House Committee on Agriculture. If we do amend this bill here, I hope that whatever amendments this House adopts will be helpful instead of hurtful in our efforts to tackle this farm-tenant problem.

If the Senate passes a farm-tenant bill, it will, in my judgment, be quite different to this farm-tenant bill that we are now considering in the House.

Of course the conference committee will have to be selected and the whole matter as presented by the position of both the House and the Senate on this question will have to be considered and threshed out in conference.

If the proposed legislation reaches that stage I am likely to be selected as one of the House conferees, and I feel now that the conferees will be faced with some rather serious and fundamental questions involving this particular legislation.

No one knows just what will be finally agreed to, and if and when we finally work out our differences at this session of Congress, no one knows what the Farm Security Act of 1937 will really contain.

I am sure all of us hope that we can get some real constructive legislation enacted at this session of Congress that will enable this administration to tackle this serious and complicated farm-tenant problem in a way that will lead to lasting and worth-while results.

We know it is a vital question and one that certainly presents a most serious problem to the present and future generations of this country.

To my mind, it is certainly a problem so serious and far reaching as to require handling by the Federal Government. However, we must ever be mindful that the Federal control and supervision of this problem should be of a logical, practical, and reasonable nature.

As I have formerly said on the floor of this House in discussing this question, this farm-tenant problem is one that should be cautiously and thoughtfully undertaken.

Personally I feel that the House provisions as set forth in this bill, H. R. 7562, are much better than the provisions of the Senate bill, S. 106. However, I am aware of the fact that the President's Special Farm Tenancy Committee, as well as some of the heads of this administration, prefer the provisions and philosophy of the Senate bill to those provided by our House farm-tenant bill.

To my mind, this does not amount to more than a trifle, and the policy of the administration in handling this matter that will be shaped if and when we finally agree and pass a farm-tenant bill is, to my mind, one of great importance.

If the idea prevails as set forth in the Senate bill, the Government will be absolutely in the land-purchasing business.

Under the Senate bill the Government buys the land in fee simple and in turn sells the land to the prospective home seeker. The Government retains title, and the tenant does not and cannot receive absolute title to the property until after a long period of years.

The Senate bill, to my mind, presents some serious and grave problems in regard to taxation as to local, county, and State requirements. This land should be subject to taxation.

I will not attempt here to analyze the Senate bill. We will cross that bridge when we get to it, as no farm-tenant legislation has been considered on the floor of the Senate thus far this session.

As my time is passing rapidly, I shall be glad to yield to any of my colleagues for any questions they may desire to propound relating to this bill that is now before the House, because I know the Members are interested in this bill, and, although it is not what a lot of us like, it is the best we can do under the circumstances and is a step in the right direction. It is the policy we have agreed upon. I do not hesitate to yield to any Member to answer what questions I can with reference to how this act is supposed to be administered. I shall be glad to answer any questions I can with reference to the set-up under this act, the benefits of which will be brought to every district of the United States where farm tenancy exists and where it is prevalent according to the need and as far as the funds will go that we provide.

Mr. WADSWORTH. Will the gentleman yield?

Mr. DOXEY. I yield to the gentleman from New York.

Mr. WADSWORTH. May I call the gentleman's attention to the language on page 4, line 15, paragraph 4, which reads as follows:

Be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the unpaid balance of the loan, together with interest thereon, to protect the security, and to assure that the farm will be maintained in repair, and waste and exhaustion of the farm prevented.

Mr. DOXEY. Yes.

Mr. WADSWORTH. It is upon that point I endeavored to address myself a few moments ago. I would like to have the gentleman state to us, if he will, how far it is contemplated the Secretary of Agriculture will obligate the man who has purchased the farm with Government money to refrain from unsound farm practices and, if he does not so refrain, what will be his fate?

Mr. DOXEY. I have an opinion, and it may be speculation on my part, because I cannot answer in detail those questions which will be entirely up to the administrative agency to determine. The matter will be regulated somewhat in this way: There will be the various county committees and these county committees will select, from among the multitude that possibly will apply for the loan to buy a farm, those who appear to be best qualified to receive the benefits of this act. The county committees will select applicants by taking into account their experience, character, standing, and also whether or not they have dependents, are married, have made a partial success of farming, have enough farming implements and livestock to carry on their farming operations and so forth, all leading to a final test of whether or not in their specific cases they have been successful as farm tenants.

This bill applies only to people who are now farm tenants, including laborers, sharecroppers, and those who get the biggest portion of their income from farming operations. It does not say that a man who has possibly owned a farm in the past and who has engaged in sound farming operations, but on account of the depression or some other condition that we know has been prevalent throughout the agricultural sections of our country is now in the class of a farm tenant, cannot be selected. When the individual is selected by the county committee and the farm that he is supposed to buy or be placed in charge of is selected, the contract is made. I may say that what would be a real, practical, sensible, sizable farm in the Middle West would not be the same in the deep South or in the county from which my distinguished friend from New York comes. We know this bill can only scratch the surface, but it will enable people to enjoy the benefits from this particular bill if they will indulge in sound farming practices. When the man is selected and passed upon by the county committee, and approved by the Secretary of Agriculture, or those acting under him, and the farm is agreed upon, I imagine there will be an understanding as well as a contract between that person and the source from which he receives his benefits. This will be his home, as has been so beautifully and touchingly described by not only the Speaker of the House but by the chairman of our Committee on Agriculture, as well as the gentleman from New York.

With reference to that specific paragraph and what will constitute waste and what will not constitute waste, that is left in large measure to the sound, discretionary judgment of the man who fills the position of owner and, of course, to an extent it will be regulated by the Secretary of Agriculture. There is no Member of this Congress or no member of the Committee on Agriculture who can definitely and specifically outline the program in advance. That will have to be worked out by the Secretary of Agriculture and those assisting him in the administration of this bill.

Mr. MAHON of Texas. Will the gentleman yield?

Mr. DOXEY. I gladly yield to the gentleman from Texas.

Mr. MAHON of Texas. Does not my distinguished friend feel that since we want to start off in a small way and conservatively, we should follow the example of other Government lending agencies, or most of them, and require that the tenant make some little down payment of say 5 percent and put a ceiling to these loans, as we do in connection with most other Government loans, providing that not more

than six or seven thousand dollars shall be lent to any one tenant?

Mr. DOXEY. Of course, I listened very attentively to the gentleman's speech this morning and I wish I had time to add something to what he said. The Committee on Agriculture has discussed every phase of this bill. We did not just begin during the present session of this Congress to study and work on this tenant problem. We started hearings on the farm tenancy problem back in 1935. We have worked assiduously on the measure and, as stated by the chairman of the Agriculture Committee, there is a great diversity of opinion. This bill provides for a county committee, which will take into consideration some of the things I have enumerated and I imagine if they find an applicant who is able to make a down payment, that will be quite a factor in that individual's being selected, you may say, from the eligible list. [Applause.]

[Here the gavel fell.]

Mr. DOXEY. Mr. Chairman, I have heard our distinguished Speaker refer to some tables. I do not know what the tables are to which he refers and I do not know whether he is going to put them in the RECORD. However, I have a break-down of the statistics on the tenancy question with reference to States. If our distinguished Speaker does not include them in his remarks, I should like to revise my remarks and include therein these tables, showing not only the number of farmers in each State and the number of tenants, but the number of home owners, the number of farmers who actually operate farms today but do not own them, and the number of farm owners who do not operate their farms. I think all this information will be helpful to the membership of the House.

The CHAIRMAN. The Chair may state to the gentleman from Mississippi that it would be necessary for him to obtain the consent of the House for the inclusion in his remarks of the tables to which he refers.

Mr. DOXEY. I just ask to revise and extends my remarks and set out these tables.

The CHAIRMAN. The gentleman may extend his own remarks, but the gentleman will have to obtain the consent of the House to include the statistics to which he refers.

The consent of the House having been obtained, the tables referred to are as follows:

Percent of tenancy in the United States, 1935¹

State	Total number of farmers	Total number of tenants	Percentage of farmers who are tenants
Total, United States	6,812,350	2,865,155	42.1
Maine	41,907	2,883	6.9
New Hampshire	17,695	1,284	7.3
Vermont	27,061	2,943	10.9
Ohio	255,146	73,770	28.9
Indiana	200,835	63,509	31.6
Illinois	231,312	102,856	44.5
Michigan	196,517	37,334	19.0
Wisconsin	199,877	41,285	20.7
Minnesota	203,302	68,412	33.7
Iowa	221,986	110,151	49.6
Missouri	278,454	108,023	38.8
North Dakota	84,606	33,122	39.1
South Dakota	83,303	40,477	48.6
Nebraska	133,616	65,808	49.3
Kansas	174,589	76,771	44.0
Delaware	10,331	3,610	34.8
Maryland	44,412	12,090	27.2
District of Columbia	89	21	23.6
Virginia	197,632	58,386	29.5
West Virginia	104,747	27,021	25.8
North Carolina	300,967	142,158	47.2
South Carolina	165,504	102,926	62.2
Georgia	250,544	164,331	65.6
Massachusetts	35,094	2,164	6.2
Rhode Island	4,327	597	13.8
Connecticut	32,157	2,339	7.3
New York	177,025	25,102	14.2
New Jersey	29,375	5,242	17.8
Pennsylvania	191,284	33,927	17.7
Florida	72,857	20,399	28.0
Kentucky	278,298	103,215	37.1
Tennessee	273,783	126,007	46.2
Alabama	273,455	176,247	64.5

¹ From census publications.

Percent of tenancy in the United States, 1935—Continued

State	Total number of farmers	Total number of tenants	Percentage of farmers who are tenants
Mississippi	311,683	217,564	69.8
Arkansas	253,013	151,759	60.0
Louisiana	170,216	108,377	63.7
Oklahoma	213,325	130,661	61.2
Texas	501,017	286,103	57.1
Montana	50,564	13,985	27.7
Idaho	45,113	12,861	28.5
Wyoming	17,487	4,083	23.3
Colorado	63,644	24,840	39.0
New Mexico	41,369	7,857	19.0
Arizona	18,824	3,344	17.8
Utah	30,695	4,582	14.9
Nevada	3,696	533	14.4
Washington	84,381	16,835	20.0
Oregon	64,826	14,065	21.7
California	150,360	32,696	21.7

Percentage of the value of farm real estate owned and not owned by the operator, 1930¹

State	Total, percent	Percent of equity	
		Not owned	Owled
Total, United States	100	58.0	42.0
Maine	100	22.3	77.7
New Hampshire	100	29.6	70.4
Vermont	100	38.8	61.2
Massachusetts	100	37.3	62.7
Rhode Island	100	38.8	61.2
Connecticut	100	35.7	64.3
New York	100	40.2	59.8
New Jersey	100	43.2	56.8
Pennsylvania	100	38.5	61.5
Ohio	100	50.2	49.8
Indiana	100	58.9	41.1
Illinois	100	70.7	29.3
Michigan	100	44.9	55.1
Wisconsin	100	49.6	50.4
Minnesota	100	58.8	41.2
Iowa	100	70.8	29.2
Missouri	100	56.6	43.4
North Dakota	100	66.1	33.9
South Dakota	100	71.7	28.3
Nebraska	100	67.0	33.0
Kansas	100	65.4	34.6
Delaware	100	52.1	47.9
Maryland	100	49.0	51.0
Virginia	100	36.2	63.8
West Virginia	100	28.1	71.9
North Carolina	100	52.0	48.0
South Carolina	100	60.9	39.1
Georgia	100	64.9	35.1
Florida	100	44.9	55.1
Kentucky	100	41.0	59.0
Tennessee	100	47.8	52.2
Alabama	100	62.1	37.9
Mississippi	100	67.8	32.2
Arkansas	100	64.4	35.6
Louisiana	100	63.6	36.4
Oklahoma	100	69.5	30.5
Texas	100	66.2	33.8
Montana	100	62.2	37.8
Idaho	100	56.5	43.5
Wyoming	100	59.6	40.4
Colorado	100	65.3	34.7
New Mexico	100	60.2	39.8
Arizona	100	65.0	35.0
Utah	100	41.6	58.4
Nevada	100	54.8	45.2
Washington	100	50.5	49.5
Oregon	100	49.7	50.2
California	100	53.9	46.1

¹ From census publications.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, we are now discussing the Farm Security Act of 1937. Naturally I am as interested in the security of the American farmer as any individual Member of the House, and have been very much concerned about the problems of the farmer. In my opinion he is the hardest working and most industrious individual in this country, spending many hours working on his farm to secure a livelihood. And this applies not only to the farmer on the farm but to the wife of the farmer who spends more working hours than any other of the women of this country in assisting the farmer in running the farm.

These farmers are as fine a class of people as there are living in this country today. But, I question very much the benefits of some of the things which have been put into effect as law by this administration, especially for the farmers of my district. For instance, these reciprocal-trade agreements, whereby farm produce is imported into this country in greater and greater quantities today than ever before. I know that is the case with dairy and farm products, and if that is aid and assistance to the farmer then I do not understand the economics which this administration is trying to effect. We must keep the American markets for the American farmer.

In this bill, section 41a, provision is made that the Secretary of Agriculture shall have power to appoint those who are to administer the act without regard to civil-service rules and regulations. This I am opposed to. I think we should have the merit system in Government rather than the old log-rolling political methods which those in control of the House have so frequently objected to but which they still support.

Why, it was only last week here in the House we Republicans tried to get a vote on the C. C. C. bill and practically every Member on the Democratic side refused to grant civil service to the employees of the C. C. C. camps. Yet you say you are in favor of civil service. It is just too bad that a vote could not be had on the civil-service provision of that bill so you fellows could have been recorded. Let your constituents know where you are by a vote. Do not be afraid to be recorded. When they asked for a rising vote only five Democrats stood up, and we were unable to get a yea-and-nay vote.

It is appropriate here to add a few remarks on the state of the Nation, showing that by repealing a lot of laws which have been enacted we will benefit the farmer more than by enacting this present bill.

We want to get down to sound solid facts rather than a lot of political joyrides in legislation that will carry the farmer farther away from security rather than nearer to it. This Nation is right on a seething volcano, and if it erupts the farmers and citizens of this country will have no security under our Constitution.

THE STATE OF THE NATION

We have reached the lowest point in the depression both financially and morally from which we can survive as a republic. It is impossible longer to conceal the facts about or disguise the failures of the New Deal. The halo which was skillfully built around the personality of Mr. Roosevelt has just about disappeared. Today he stands revealed as a very human being, a blunderer who obstinately clings to the ill-conceived plans of his New Deal advisers.

That great changes are about to come in this country can be forecast from the great wave of crime which has lately come upon us and the absolute indifference of a large part of the population to law and order. We have seen those of our workingmen who refused to be exploited and herded into labor organizations forced into idleness. We have seen law and order give way before the assaults of armed and organized mobs in many cities. The impotence of State and Federal authorities in the situation has been manifest throughout. In their zeal for the success of friendly cooperators in the ranks of organized labor the New Deal agencies have, at times, themselves become the principal violators of the practices they so loudly condemn in others.

The American workingman looks over the present situation and in the privacy of his home comes to the conclusion that he will be the ultimate victim of the economic breakdown which appears to be upon us; he faces the facts and finds that there has been but little of substantial value accomplished for him and his family.

Mr. Chairman, the workingman of America now knows that we are more than \$36,000,000,000 in debt. He knows that the social security he has been promised is based on pauperism. He knows that the frontiers that will be extended for him are the frontiers of regimentation and collectivism.

Mr. Chairman, while there are still many in the country who will not willingly give up their hereditary notions of the private right to work public wrongs, these present no greater dangers to the Republic than the politicians whose ascent to power has been followed time after time by raids upon the public till on their own accounts. The huge army of public employees—Federal, State, and local—has forced many of the States for the first time in history to set up economic trade barriers between each other. We are about to drive out of business many of the great industrial leaders whose services to the people and to the Nation are cheaply paid for by allowing them the acquisition of moderate private fortunes.

The demands of the Government for more and more taxes and a greater share in the production by constant applications of the tax burden have forced many of these industrialists into retirement or to seek other sources for the investment of their capital.

So the situation can be summarized. The people of the Nation no longer prostitute their hearts and hopes at the footstool of Mr. Roosevelt. Events, not politicians, have changed the national outlook. Five years ago the issue was the national depression. Last summer it was the return to prosperity. Today the issue is, Shall the Republic survive?

Mr. Chairman, the people of the Nation will no longer quietly acquiesce in the demands of the President that he be allowed full control over the purse strings of the Nation and the economic life of the masses. This Congress has a responsibility to the people and to the nations of the world. Will Congress assume this responsibility?

This Congress must act. This Congress must do something to end the uncertainty which clouds the citizen's right to work without interference from either the hand of a Federal bureaucrat or the sanction of a labor organizer. Mr. Chairman, this is the state of the Nation today. May God save the United States.

In that way and that way only can we give security to the farmers and to all our citizens. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I do not believe it is necessary for me to take much time to point out the desirability of legislation which will relieve the farm tenancy situation in this country. I only regret it is such a big problem and has so many ramifications it is impossible for us to solve it all by legislation.

There are those this afternoon who have expressed their regret that we are not attacking this problem in a more extensive way, and I share that regret; that is, I wish we might do more than I feel we shall be doing through the passing of this measure. However, I think also there is something to be said on behalf of a careful and cautious approach. Whatever we may want to do, we know we cannot through the expenditure or the lending of Federal funds make every farm tenant a landowner in this country. This is an impossibility. We have 2,800,000 farm tenants. If we were to spend only \$5,000 in putting each one of them on a farm, it would mean the expenditure of \$14,000,000,000. However, I think we can, through this proposed legislation, meager and inadequate as it may be, demonstrate within the period of a few years whether or not this is the proper method of approach, or one effective angle of approach, to the problem. Therefore, I favor the measure we have before us this afternoon.

As I stated in the beginning, it is generally recognized that this is a grave national problem. It is not a problem of recent origin, however, because beginning back in 1880, when we had our first census figures on farm tenancy, there has been a steady increase in farm tenancy until the last 5-year period, from 1930 to 1935, when the proportion of tenancy underwent a slight decrease.

However, as I have just stated, the problem is not a new one at all, nor is its gravity new, because during the two decades from 1880 until 1900 we had a greater increase in farm tenancy, both in numbers and percentage, than we have had during the 35 years since that time. During that

20-year period we had an increase in the number of farm tenants in this country of 1,000,000, and a percentage increase of approximately 10 percent. This was at a time when our public lands were still open to settlement, and during a period when 300,000,000 acres of new land were brought into the farm acreage of this country. From 1900 to 1935 we had an increase in the number of tenants amounting to 864,000 and an increase in percentage of 6.8 percent. In other words, the percentage increased from 35.3 to 42.1 percent.

From 1900 to 1930 there was a constant increase in the percentage of tenancy, the greatest increase, however, occurring between 1925 and 1930. From 1930 to 1935 the percentage of tenancy decreased from 42.4 per cent to 42.1 percent; yet during that time there was an actual increase of about 200,000 in the number of farm tenants in this country. However, during the same period of time there was an increase of over 300,000 in the number of owner-operators, which accounts for the fact that the percentage has gone down slightly.

This problem is so great and complex that we cannot possibly go into the causes of it in the brief time we shall have this afternoon. The problem varies in different parts of the country. In some sections it is not serious. It is a greater problem in the South than in other parts of the country, yet in the Middle West, particularly in the States of Iowa, Illinois, South Dakota, Nebraska, and Kansas, it is a serious problem, because in all these States the percentage of farm tenancy approaches 50 percent. It is 49.6 percent in Iowa, 49.3 per cent in Nebraska, 44.5 percent in Illinois, 48.6 percent in South Dakota, and 44 percent in Kansas. Therefore farm tenancy is a grave problem in those States and somewhat of a problem in at least half the States of the Nation.

The problem varies even in different counties within States. In the State of Mississippi, which has the highest percentage of farm tenancy, there is a large variation between the percentages of farm tenancy in different counties. As I recall the figures, in one county the percentage is only 11.4 percent, far below the national average, while in another county it is about 96.8 percent. In the State of Oklahoma there are wide variations, from a low of 30.6 percent to a high of 78.6 percent, and such variations exist in all the States where farm tenancy is extensive.

There are other approaches to the solution of this problem than the one we are attempting to set up today. The President's Commission on Farm Tenancy made a number of recommendations, of which Government financing of tenants is only one. They put their finger on what I think is one of the great causes of farm tenancy, speculation in farm land. If you go to the States in the northeastern part of the country, in New England and the North Atlantic States, where the percentage of farm tenancy is smallest, you will find that in these States for many years farm-land values have been stable. If you go out into Iowa, Kansas, Nebraska, the Dakotas, and other States in that area, you will find that during the same period of time there have been quite violent fluctuations in the prices of farm land.

You will find, I think, that even today a great deal of the farm land in the Middle West is priced higher than will pay interest upon the investment. Of course, one of the reasons for the great fluctuations in the price of farm lands is the fluctuation in the price of agricultural products. If these prices could be stabilized, this would have a great effect upon reducing this particular cause of farm tenancy, but I have not the time now to go into any further discussion of that phase of the question.

One thing that should be remembered in connection with any discussion of the question of farm tenancy in the South is that there are two classes of tenants there, one the class which the Bureau of the Census classifies as a tenant, and the other a class which is classified as a sharecropper, a group which, in effect, is more nearly composed of farm laborers than anything else, because, while they take a share of the crop that they make, yet they ordinarily have nothing to say about the management of their operations or the crop they

will grow, but simply occupy the status of working for someone else, getting their compensation out of the crop rather than in cash.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, I think we have to approach the solution of the problem of the sharecropper, perhaps, from a different angle than we do that of the tenant who has had some experience in management, who has his own property in the way of farming implements and livestock, and who has gone a little further up the rung of the agricultural ladder.

The authors of the book *The Collapse of Cotton Tenancy*, one of whom is Dr. W. W. Alexander, Administrator of the Resettlement Administration, conclude that it is practically impossible for tenants in the South to accumulate property or to become independent. The reasons which are given in support of this conclusion are: First, the agriculture that the tenant knows fits only the old system; second, the banks cannot finance the tenant because they are geared to the needs of the plantations; third, the cost of merchant credit leaves little or nothing for capital accumulation; fourth, the crop-lien credit system has destroyed his independence in marketing his crop. Not only do the reasons given above seem to make the problem in the South more difficult than that of the Nation as a whole but, in addition, as mentioned above, the sharecropper particularly does not at this time have either the education, experience, or background to enable him to graduate into the ranks of landowners. Many students of the problem believe that it will never be possible to make independent landowners out of this group and that whatever attempts are made for the relief of this situation should be directed, at least for the time being, to improving their status as sharecroppers and tenants.

The bill which we have before us today is based upon the idea that while we cannot help all of those who are deserving of assistance in becoming farm owners, we ought to do what we can to help the most deserving, those who are more nearly ready to undertake the obligations and the burdens of farm ownership.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield for a question just at that point?

Mr. HOPE. For a very brief question; yes.

Mr. WHITTINGTON. Since the Government, manifestly, is unable to help all, would it not prevent discrimination if there were some qualifications so as to enable the aid to be extended to the most deserving and thereby give all the same opportunity to qualify?

Mr. HOPE. I think that is true, and this bill does provide some qualifications which will enable the local committees to choose the most deserving.

Mr. WHITTINGTON. May I be more specific by saying that the qualifications should be that a man is able to furnish at least a part of the purchase price or is better qualified by experience to operate a farm?

Mr. HOPE. Of course, that is an element that the local committee should carefully consider. I think the success or failure of this approach to the problem is going to depend very largely upon the local committees. If we have local committees the members of which are conscientious and will give their time and their effort to a job at which they are going to be very poorly paid, and who will exercise proper judgment and discretion in the selection of the tenants, the plan has a much better chance of being successful. Local committees can also be of great assistance in the selection of desirable farms and in seeing they are secured at fair prices.

In conclusion let me say that I think it is particularly important that we recognize this bill as an attempt to solve the many-sided tenant problem from only one angle. There are many other things which need to be done not only by the Federal, State, and local governments, but by individual and community efforts as well. [Applause.]

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, first, I want to express my appreciation to the Members who have spoken preceding me on the presentation of this important question, which we have up for consideration this afternoon. This is, after all, a gigantic problem and the measure we are considering now, of course, admittedly is an experiment at best.

We are considering the matter of expending some \$10,000,000 which, when divided among the various divisions of the United States, gets pretty small, being approximately \$3,000 for each county in the United States, if you please. So it naturally resolves itself into an experiment which, after all, is well worth trying. When we appreciate the fact that the condition with reference to farm tenancy is continually growing worse, we realize it is high time for us as individuals and as Members of Congress to take hold of this problem and try to help bring about its solution to some extent at least.

The general intention of the bill before us today is to reduce to some extent the number of farm owners who are becoming tenants in this country. Our attention has just been called to the fact that some 50 years ago 24 percent of our farmers were tenant farmers, but that now half of them are tenant farmers. In Mississippi we are told that 60 percent are tenants, in South Carolina 62 percent, in Alabama 64 percent, and Georgia 65 percent. Between 35,000 and 40,000 farmers are becoming tenant farmers every year. So we have approximately some 2,865,000 tenant farmers and 3,800,000 farm owners.

I want, however, to call your attention this afternoon to a measure pending before Congress that I deem is of considerable importance to the country at large, and especially to those who are interested in agricultural pursuits. It is with reference to H. R. 6763, which passed this House on June 7, and is now pending before the Senate.

This bill provides for the extension for 1 additional year of the 3½-percent interest rate on Federal land-bank loans and for a 4-percent rate for the following year on land-bank loans and land-bank commissioner loans. The present extension expires on July 1 this year. Unless this extension is granted, the farmers holding Federal land-bank loans will go back to the payment of the old rate of interest as it existed 2 years ago. In other words, in just 3 days the present extension expires, and the farmers who owe these loans will be charged with an additional interest rate of from 1 percent to 2 percent.

The thing that causes me to call your particular attention to this bill is the text of the President's letter, dated June 7, directed to the chairman of the Committee on Agriculture of the House and to certain Members of the Senate, wherein he opposes the reduction in interest rates on Farm Credit Administration loans. He states in the letter that he is "disturbed by the provisions of this bill" and believes the Members of Congress should be advised of the situation which will be created by the passage of that measure. He says, among other things, that any reduction below the rates of interest that were formerly provided by the Federal land bank would create a gift to the farmer from the Federal Treasury, and he also states that the borrowers from the Federal land bank, under this bill, "are given an annual grant or gift by legalizing an abnormally low rate of interest."

He further states that the reduction in the interest rates to the farmers by the Federal land bank and the Land Bank Commissioner, as provided by the terms of this bill, will cost the United States Government more than \$40,000,000 per year, and that the passage of this bill was not contemplated in the preparation of the Budget for the fiscal year of 1938. He says he is definitely seeking the balancing of the Budget, and that the Budget must not be thrown out of balance through extra appropriations or obligations.

First, I should like to give due credit to the administration for having given this problem the consideration to which he believes it is entitled. I am also in favor of balancing the Budget, just as soon as it possibly can be done,

and do not want that bill to create a further deficit in the United States Treasury.

I propose first to show that I do not believe there should or will be a deficit that will require the need of an appropriation from the Treasury, by reason of the extension of the present interest rates by the Federal land bank, or the Federal Land Bank Commissioner, for a period of 1 more year. I do not believe this measure is going to cause a raid on the United States Treasury by the farmers of this country, in any sense of the word. However, let me suggest that even if the passage of this bill should result in the creation of a small subsidy on the part of the Treasury—that the administration is inconsistent in opposing it.

I realize we should not grant subsidies to one group of persons just because we have granted them to other groups of persons or concerns—but we should take into account at least, that subsidies have been granted by the hundreds of millions of dollars to municipalities and private corporations, as well as individuals, during the past few years.

In the discussion of this bill, I do not want to go into a discussion of those expenditures, except to call your attention to the fact that during the 6 months Congress has been in session, it has exceeded its estimated appropriations by millions of dollars. This seems not to have disturbed the administration or its leaders. The House has already appropriated about \$600,000,000 for the Navy, and \$425,000,000 for the Army. You will recall that amendments have been made to the various appropriation bills, increasing the liberal recommendations of the Appropriations Committee of the House, in many instances, amounting in all to many millions of dollars.

I do not want to take too much of your time at this point. You will, however, recall that, without much opposition, during this session this House has agreed to spend a vast amount of funds from the Federal Treasury that were not originally contemplated by the committee having the measures in charge. For instance, only a few days ago this House agreed to spend \$7,000,000 for a tract of timberland in California that is to be added to a national park. I am informed that this tract is 15 miles away from the park. This House agreed to spend without the matching of State funds, \$5,000,000 to complete or extend the building of a national highway in North Carolina and two or three Southern States. There are so many instances where we have exceeded the committee recommendations.

I mention these items to show that, generally speaking, the administration does not seem to be so much "disturbed" about the expenditure of a large amount of funds from the Federal Treasury, even in many instances beyond the amounts suggested by our committees.

During the past 4 years, according to statistics furnished by the Department of Agriculture, 27 out of every 1,000 farm owners in this country lost their farms for the reason that they were not able to pay their interest and their taxes. And I believe that you will agree with me that with comparatively few exceptions this failure came about by circumstances over which they had no control. Thousands of farmers in the last 4 years have lost their homes. They have either become tenant farmers or have in many cases gone on the relief rolls.

We have here a serious situation. I cite these figures to you to show that the farmer's condition is far from being solved and that he is going to need some further assistance, for a while at least, if he is expected to live on his own farm.

Now, I should like to call your attention to the fact that there are 639,800 land-bank and land-bank-commissioner borrowers in the United States which, I am informed, includes about 37 percent of the farm loans in this country. About 77 percent of these borrowers had paid their interest at the end of the year 1936. According to Federal land-bank figures, there were 95,300 farmers who were unable to take care of their interest items and the taxes which became due at the end of last year. This by reason of crop failures and adverse conditions. These farmers could not meet their obligations. These farms involve an investment of approxi-

mately \$428,800 worth of land. This number would have been greater had it not been for the reduction of interest heretofore granted by this Congress.

We are dealing with a stupendous problem this afternoon. It seems to me that if we are going to save the farms for the farmers, that the least thing we can do is to maintain the present rate of interest on Federal land-bank and commissioner loans for another year, and the reason I call your attention to it now is because the bill is in the hands of a committee in the Senate, and, with the administration apparently opposed to it, I believe the situation can be most important.

One of the things we have been discussing during this session of Congress is trying to keep people from the relief rolls. We have talked about the farmers who are on relief rolls, and yet we find between 35,000 and 40,000 farmers, on an average, are losing their farms each year. If you want to keep men off the relief rolls—if at this particular time you want to help the farmer to help himself—let us see that the present rate of interest is maintained, and let us assist materially some 685,000 farmers who will be benefited thereby and without, in my opinion, any expense to the Federal Government.

A good deal has been said about the low rate of interest granted to farmers by the Federal agencies during the present emergency. I grant you that it is a comparatively low rate, but not as compared with the rates granted to railroad companies and corporations which have been assisted by the use of Government funds. Furthermore, when these loans were first made the interest rate was 4½ and 5 percent. The interest rate that is now being paid for the use of this money is approximately 3 percent. And let us not forget that the farmer, when he makes his loan, buys stock for an amount equivalent to 5 percent of the amount of his loan; and since we have some \$2,000,000,000 in farm loans, we have approximately \$100,000,000 of the farmers' money paid to the Federal land banks that helps to guarantee the payment of these obligations. Also, when the farmer made his loan, he paid the secretary of the local organization a fee on a percentage basis on his loan for services in securing the loan for him.

Furthermore, if you will examine the statement of the Federal land bank for the year 1936, and the first quarter of 1937, it will show a net profit of some \$22,000,000, with sufficient reserves that have been set up to protect the bank against losses of shrinkage on account of judgments, foreclosures, and real estate owned, and so forth.

It is my contention that with the \$22,000,000 of profits already shown by the Federal land bank, and the profits that should accrue during the next year, by the careful management on the part of those in charge of Federal farm mortgage organizations that there will be more than enough profit to offset the slight reduction in interest rates, and at the same time maintain a sound financial situation so far as the land bank is concerned.

If the farmers of this country can raise a good crop this year and have a fair price for it—the delinquencies in the payment of interest and taxes will be at a minimum in a year from now. If you want to help the farmer to help himself, here is a chance where you can assist a great number of representative persons who are engaged in the business of agriculture in this country. They are not asking for alms in any sense of the word. All they are asking for is an even break. Let's help provide it to them if we can.

Mr. DOXEY. Mr. Chairman, I now yield to the gentleman from Tennessee [Mr. MITCHELL].

Mr. MITCHELL of Tennessee. Mr. Chairman, as a result of legislation enacted during the past 4 years by the Democratic Party, increased income has come to the farmers of America and with it, a revival in all business. Restored purchasing power has resulted in improved business conditions in the cities. The wheels of factories, mills, mines, and railroads are again turning, and all this gained in the face of unusual natural disaster—the droughts and floods of recent years. But the consequences of these unusual

natural conditions have not been as severe as the man-made disaster from 1929 to 1933, when bankruptcy and ruin overtook the American farmer and his earnings were swept from under him. Because of the legislation passed by the Roosevelt administration, national recovery has been realized and the progress made by agriculture has been of tremendous assistance to the entire Nation in recovery from the depths of depression. The Agricultural Adjustment Act was the keystone in the arch of the Nation's recovery. At present, we have the Soil Conservation program, supplemented by marketing agreements, surplus crop removal, commodity loans, flood- and drought-relief measures.

We have laid the foundation for an economically sound national farm policy. The Committee on Agriculture, of which I am honored to be a member, is now working with the farmers and the farm organizations on a permanent legislative program to safeguard food supplies and farm income. We hope to draft a bill that will make possible legislation to store up reserves of farm crops from surplus years for use in lean years. To preserve and build up the fertility of the soil, to stabilize the supply and prices of farm products, and to increase the farmer's income. This proposed legislation we hope to soon have ready for consideration by the House.

Today we deal with the farm-tenant bill. We provide for loans to be made available to sharecroppers, laborers, and tenants. Fifty years ago one out of every four farmers was a tenant. Today two out of every five are tenants. Statistics tell us that for the past 10 years there has been an annual yearly increase of tenants of about 40,000 farmers. This must not continue in the future. Sound legislation must be provided by which unfortunate people may be able to secure land or credit with which to make a crop and purchase a home. By so doing, a large measure of poverty, social unrest, and economic insecurity will be eliminated. The farm-tenant bill, now under consideration, proposes to remedy this condition and provide money for distressed farm tenants. It will prevent the tendency of landowners to become tenants, and tenants to become laborers, and laborers to become objects of charity. The bill authorizes loans to be made at an interest rate of 3 percent per annum for a period of 30 years, with which to buy farm lands. The appropriation made available in the bill is \$10,000,000 for the fiscal year ending June 30, 1938, and \$25,000,000 for the year 1939, and not to exceed \$50,000,000 for the year 1940.

Only farm owners, farm tenants, farm laborers, and sharecroppers are eligible for this loan. To my mind it is a most meritorious bill. I have been greatly interested in helping to secure legislation of this kind before our committee. We have held extensive hearings, which are now in the hands of the Members of the House. My regret and disappointment is only because of the small appropriation carried in the bill, which has been made necessary because of the economy drive. I hope by next year it will be possible to increase the appropriation and to amend the bill from year to year that more money will be made available for those in need of this assistance and to prevent the further losing of farm homes and lands by their owners.

There is provided in the measure a local county committee of three members to be appointed by the Secretary of Agriculture to supervise the loans provided for in the bill. This will guarantee proper appraisal on the part of the borrowers and a fair basis upon which the Government can carry out the provisions of this act.

The future of America is inseparably bound with our farms and farmers. The farmer employs more laborers than all the railroads, mills, mines, and factories combined. He has more invested in capital than do all other lines of business. The successful management of this great investment and basic industry affects the future welfare of our country. It is a national problem and should be treated as such. The successful management of the farm is essential to the existence of all other business. The farmer feeds and clothes the world. He produces new wealth from the soil he

cultivates each year. He is the foundation of all national prosperity. If he does not have buying power, the wheels of industry stop. What would happen if the farmers in the United States should go on a sit-down strike as we witness today in many of our factories? Who would feed and clothe the city dweller and the factory worker? The answer is, He would go naked and hungry, seeking relief, with none to be had; yet the farmer works longer hours and more days per week than any mill or factory.

Not only does the farmer do this, but all the members of his family have their long hours, from early morn until late in the night, they each go about their daily task. If the drought, or the flood, overtakes him, he must continue his efforts. The tax gatherer and the banker levy their tribute just the same, whether the season is good or bad, whether the prices of farm products are high or low. No delays or stay of judgment is tolerated by the interest collector, nor can the payment of taxes be deferred. The one basic industry that must carry on is agriculture. America must be fed. Happy homes are the only guaranty that liberty and freedom possess. Without them anarchy and communism overtake us.

On the Union Railway Station building here in Washington are inscribed these prophetic words: "The farm, the best home for the family, the main source of national wealth, the foundation of society." How true are these words. Farming is the most satisfying life of our people. Here contentment and happiness are most often found. It is where the young men and young women are to receive their first and best training for future citizenship. The security of our Nation and of our people is wrapped up in the farm life. Liberty and freedom had their birth in the open spaces and in the country life. The love of home and the farm is the basis for the love and devotion we feel for our State and Nation. It is around the fireside and in the family circle that patriotism has its beginning. The city environment cannot, and does not produce the serenity of soul, and the clarity of vision, and the steadfastness of purpose, as does the farm and country life. This fact was well-known by our forefathers when they settled America. It was their purpose that every man should own his home and farm. Westward they went and settled the fertile acres between the Atlantic and the Pacific. They fought for more acres to have more farm homes. Today, amidst all the friction and strife that obtains in the industrial and manufacturing centers and cities in our country, the farm home stands as a beacon light to calm and still the waves of discord and discontent.

If the farmer can have equal opportunity with industry and receive parity prices for his crops, and if he can receive his share of Government credit and protection, that is all he asks. He does not seek a dole. He seeks only equality in commodity prices, in interest rates, and in taxes. No farm home in this country should be required to pay a tax where the farm is valued at \$2,500 or less. The people of America should be encouraged to become home owners. Too many in the cities and towns all ready. Many of them could, and would become self-sustaining on the farm. Their families would be better off in health, in happiness, and in all the things worth while in life, if they would experience the dignity of honest toil on the farm. The city life weakens, rather than makes strong. It is mechanical and machine like. Every day like the preceding one. No diversity of employment, no change of surroundings, no independence of action or freedom of initiative, no broadening of the vision, no communion with nature, no inspiration from the hills.

The 30,000,000 farmers in America should continue to organize for their own protection and security, the same as has industry. They are entitled to a fair and stable income, the same as the laborer in the mill or the factory. They are entitled to the same convenience to satisfy home needs, as others—cheaper electricity, cheaper farm machinery, cheaper fertilizer, and cheaper interest rates.

They are entitled to a foreign policy that will encourage peace with other nations and a greater market abroad for their farm products.

They are entitled to a soil conservation program. Lands unsuited for cultivation or land that is unprofitable should be taken out of active cultivation.

Better opportunities for the farmer to own his land and his home must be afforded him. This, the bill under consideration seeks to do. Greater security for tenants and sharecroppers and greater incentive to laborers to become home owners is provided for in this measure. The bill is a step in the right direction.

Much better and more far-reaching is the measure than the resettlement and homestead programs. They have been, and will continue to be, an expensive experiment. To my mind, the so-called homesteads will result, and have already done so, in great waste of the taxpayers' money and a still greater disappointment in the future to the homesteaders themselves. Too much waste and extravagance, too many inexperienced, so-called experts and blueprint farmers and builders have been put in control and permitted to experiment with the taxpayers' money. It will be a disappointment throughout the years and will not succeed unless and until men are put in charge to superintend these projects who are actual farmers by experience and who have made a success on their own farms, and who, above all, must know the value of a dollar, and who himself is a taxpayer. No so-called "brain truster" or theorist can successfully carry on a development of this kind, as they have tried to do in the past, with any other result than a waste of the people's money.

The farmer may and does profit by advice and expert assistance, but at last he must be an individualist and work out his own salvation and be the author of his own destiny, if he is to succeed. Individual effort and personal planning has builded a great civilization in America in the past 150 years. It will likewise be responsible for our development in the future. Every farmer and businessman must be the captain of his own soul and pilot his own ship, if he is to succeed. The Government can stand by and aid the farmer and business, as it should do, but at last the farmer and businessman must be responsible for results. This alone encourages him to carry on. Thrift, economy, fair dealing, and the good-neighbor policy will make him sovereign. It will lead to success. Service and honest toil bring their own reward in the great stretch of years ahead, when the shadows fall in the evening across the western slopes.

It is not easy to bring about, by legislation, protection against the drought, flood, frost, or plague, but cooperation and teamwork upon the part of the farmers themselves will largely make this possible. The Congress can substantially aid by proper legislation and the pending bill, in its provisions, will afford great assistance to many deserving borrowers and new home owners.

A higher standard of living will be gradually experienced by the less fortunate by legislation of this kind. I regret that the appropriation provided in the bill is not sufficient to do what we would like to for all the tenant farmers and the home owners in America, but it is a step in the right direction. It is a milestone in the march of progress. Much has been done to aid agriculture in the past few years, and much more remains to be done in the future. The home owners and the farmers are the last great hope in America. I confidently believe, if we are to be saved from communism, socialism, and the Reds, it will be because of the stabilizing influence of the farmers in the United States. They will be the defenders and preservers of our liberty and our institutions in the future as in the past. It is to them that industry owes its life and existence. Business could not exist, nor the professional man live, except the farmer who feeds and clothes him, and provides a market for his merchandise, and pays to it and to him his bills from the earnings of the good earth. Let the Congress continue to concern itself with the farmers' problems. The present administration has been most helpful and, while the farmer has a friend in court, let him demand and receive equal rights and equal opportunities with the manufacturer, and all other industry. The industrialist has been subsidized and protected throughout the years. Let us give the American

farmer a legislative program that will afford him economic security and equality of opportunity.

As was so well said by President Roosevelt in his recent message to Congress:

When fully half the total farm population of the United States no longer can feel secure, when millions of our people have lost their roots in the soil, action to provide security is imperative and will be generally approved.

This is certainly true. The Federal Government cannot alone accomplish the end desired. We must have the co-operative effort of local and State institutions. We must make possible farm ownership to tenants who have ability and experience, but who cannot become owners without assistance. Loans must be made by the Federal Government to those who are about to lose their farms and who need credit extensions. The passage of this bill will aid the tenants, sharecroppers, and farm laborers to become home owners. This is certainly to be desired by all of us.

We must endeavor in every possible way to increase the income of the farmers of America. They must be protected in what they sell because of the price they are required to pay when they buy. We must also endeavor to have land values become more stable. Too much fluctuation in the price of real estate has existed in the past. We must make it possible for our farmers to receive their share of the national income. This is a national problem. The public welfare demands it. We must provide the normal requirements of the people for food and sufficient reserves must be maintained to protect the people against the hazards of weather, drought, flood, pests, and disease, and also against the dangers of international crises. We must continue with added interest our soil erosion and soil conservation program to protect our land resources. We must also provide for the retirement of submarginal lands of the country from cultivation as provided for in this bill. Soil fertility of the farmlands must, at all times, be maintained and increased. A proper and effective national adjustment of production in line with the demands of consumption is essential. The Government must assist in aiding the farmer to control the movement of his crops to market after they have been produced in order that the prices he is to receive will be stabilized at such levels as to always insure parity income to farmers and fair prices to the producers.

National prosperity and security exist only when the buying power of the farmer is made secure and certain. The consuming public is entitled to have the normal granary and the food reservoir sufficient to meet its demands.

AGRICULTURE MUST NOT BE THE FORGOTTEN INDUSTRY IN AMERICA

The farmer needs to organize for his own protection, as has industry. His production of farm goods must be adjusted to adequate home needs and to foreign demand. Foreign policies to encourage peace with other countries and an increased market abroad for our farm products is demanded. We must afford better opportunities for the man with the hoe to own his land and increased security for tenants and owner-operator. Industrial policies to insure abundance to the wage earners and farmers alike, is needed. Within the past few years and during the Roosevelt administration, more beneficial legislation has been passed than under any previous administration in the history of our country. Let us continue this policy of making more secure the farmers, who feed and clothe us.

Let the farmer continue his fight for equality of opportunity. He deserves to win. He has had many long, lean years. He is the owner of the greatest industry in America. His success means your success. Let us pass the pending bill. I am proud I was born and raised on a farm. I am proud of this heritage. My father was a farmer. My people have all been farmers before me. I have always engaged in farming myself. I am honored to represent the people of the Fourth District of Tennessee and farming is the principle business of my people. It is a great agricultural district and contributes much in food supplies, livestock, and general farm resources. Let us undertake, for the first time in the history of the Nation, this constructive and helpful piece of legislation. We are making worth-

while history for the future in the passage of this measure. [Applause.]

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. ANDRESEN].

Mr. ANDRESEN of Minnesota. Mr. Chairman, the distinguished chairman of our Committee on Agriculture, Mr. JONES, stated a very certain fact when he said that he had considerable difficulty in the committee in arriving at some conclusion on the farm-tenant bill now before this Committee. The hearings which are available covering H. R. 8 are not the hearings on the bill now before the Committee, because the policies outlined in our committee in H. R. 8 are totally different from the principles involved in the bill now under consideration. H. R. 8 provided that the Government should go into the land business and buy farms and distribute those farms to individuals selected by the Secretary of Agriculture, through the county committees, while the bill before us today provides that the Secretary of Agriculture shall make loans to farmers who desire to purchase farms and who receive the approval of county committees and the Secretary of Agriculture. The farmers in this instance will immediately get title to the land they purchase, while under H. R. 8, which was not reported by the committee, they would not have received title until they had operated the land from 20 to 40 years.

I do not believe the bill now under consideration—and I feel sure it will pass the House—will remain in its present form when it gets to the United States Senate. I am satisfied that the bill will be amended and that the old Bankhead bill will be substituted. In other words, they will put in the farm-tenancy legislation, the original bill, which was rejected by the Committee on Agriculture after 11 weeks of debate in the committee.

Mr. KELLER. Mr. Chairman, will the gentleman yield? Mr. ANDRESEN of Minnesota. I yield.

Mr. KELLER. Will the gentleman tell us the difference in the two bills specifically?

Mr. ANDRESEN of Minnesota. I have just stated that the bill which was before the committee, which was rejected by the Committee on Agriculture, sets the Government up in the land business, so that the Government would go out and buy land and select future owners to occupy it, and that they would be from 20 to 40 years in paying for it, while in this instance the tenant may exercise his own judgment, may go out and pick out a farm, go to the county committee and make application for a loan, and if it is approved by the county committee and the committee thinks the farm is all right and the value is all right, then he can get a loan up to the entire purchase price of the farm if the value fixed by the county committee is the same as the purchase price.

Mr. HOOK. In other words, the committee decided to write its own legislation?

Mr. ANDRESEN of Minnesota. The gentleman is correct. We tried for 11 weeks to write this bill. The chairman of the committee tried his best to get a majority of the members to write the kind of a bill he wanted, but after all these weeks of debate, the committee finally wrote the bill which the committee decided it wanted. That is the bill that is before us.

This bill has been termed "an experiment." That is not exactly correct, because the Resettlement Administration under the Department of Agriculture, has been conducting a similar experiment for the last 2½ or 3 years. They have purchased thousands of farms throughout the United States in all sections. They have selected tenants or individuals to occupy those farms. Many of you know something about the experience of the Resettlement Administration and the unsatisfactory results. I know of an instance in my own congressional district where they completed a resettlement homestead project 2 years ago, and to this date the 52 tenants, or purchasers, do not know how much they are going to pay for those homes which they have purchased from the Government.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield the gentleman from Minnesota 5 additional minutes.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. In just a moment I will yield.

I have tried for the last 9 months to have the Resettlement Administrator tell me how much each of his subsistence homesteaders will have to pay for his home. They all want to know. Still he fails or refuses or is unable to give the information. As a consequence, a great many of those homesteaders have become disgusted and have moved off of the premises, because they do not know whether they have title or ever will get title, or how much they will have to pay for it in the end.

Possibly some of the things that the Resettlement Administration did are subject to criticism. In this particular project in my own congressional district, which I have in mind, the tenants were led to believe that they would pay around \$2,500 for each homestead. The construction was so poor and there were so many idealistic things that the Resettlement Administration thought homesteaders should have, such as a new \$10,000 community house and a great many other things that raised the cost, that now when we divide the total number of homesteads by the total cost of the project, instead of the individual paying \$2,500, the cost has mounted up to over \$5,200 for each homestead. So throughout the United States where these individuals who were to be helped, thought they were going to pay a medium price for the new homes, they will find that the cost will run up to five, seven, ten, or twelve, or, in some instances, \$15,000 for a little home and a few acres of land.

The same group which has handled the Resettlement Administration will undoubtedly handle the administration of this act. I hope it will succeed. I am for the bill because it is the best bill we could get out of the committee. The tenant problem is a serious problem, not so much in our section of the country as in some of the other States.

When I heard the distinguished Speaker of the House today picture the condition of the tenants down in his section of the country, I realized the truth of many of the facts that he pointed out. I have visited a good many tenants and sharecroppers down in that section, and I say to you honestly that we in Minnesota and the northern parts of the central West would not let our hogs live in the houses that the tenants and sharecroppers live in in that part of the country. It is a shame; it is a reflection on someone; whether it is the United States Government, the individual, or the landowner, I do not know, but whoever has the responsibility in connection with the present status of this large class of people in the Southern States should assume the responsibility and not blame us in other parts of the country, for we are trying to fulfill our duty by giving them the proper kind of help to make them contented American citizens.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield.

Mr. CASE of South Dakota. The gentleman spoke about delay in payment. I am wondering whether this bill, providing, as it does in subparagraph 5 of title IV, power for the Secretary to make payments prior to audit and settlement by the General Accounting Office, will correct it and whether it is a good correction.

Mr. ANDRESEN of Minnesota. No; I do not say it will correct it, and I do not think that we will get away from governmental red tape and delay in connection with this proposition.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 2 additional minutes to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. Mr. Chairman, I think that this program will fail, although I hope that it will not. The reason I say that it will fail is because of governmental red tape. Let us take the case of a tenant sharecropper who wants to buy a farm. He goes over and looks at John Doe's farm. They agree on a price and he tells John that he will

buy the farm if he can get a loan from this new set-up of the Government. They sign a contract. Then the sharecropper has to go to the county committee and place his problem before the committee and make his application. They will look at the farm, and if they feel that the purchase price is all right and that the man is all right, they will recommend him for a loan. They recommend him to the Secretary of Agriculture. The Secretary of Agriculture will get it after 3 or 4 months. Then he will have to have his legal experts look up the title, and this takes anywhere from 6 months to 2 years. The sharecropper gets the action or approval in anywhere from several months to 2½ years. By that time the man who was going to sell the farm has lost his sale, but in the meantime he has had all of his land tied up. I think it will be difficult to get any individual who has land to sell to enter into an agreement to sell his farm contingent upon the purchaser getting a loan from the Secretary of Agriculture under this bill. It will take too long. We cannot do much about it except try to put through a piece of legislation that we believe will be helpful to some of the tenant farmers and others who desire to own farms in this country. [Applause.] [Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. HOFFMAN].

(Mr. HOFFMAN asked and was given permission to revise and extend his own remarks.)

Mr. HOFFMAN. Mr. Chairman, the generosity of the House in unanimously granting this time is deeply appreciated.

The kindness and the friendliness shown by the gentleman from Illinois [Mr. SABATH], in promptly, when his attention was called to the fact, withdrawing the erroneous statement which he inadvertently made and which intimated that I was advocating unnecessary violence, is acknowledged. His action was characteristic and explains, if explanation was needed, the reason for the esteem in which he, as dean of the House, is held by its membership. Again I thank you, gentlemen.

He, who by word or deed when strife is abroad in the land, has sought to stir up class hatred, dissension, or strife, serves not the cause of patriotism. If his act be thoughtless, he deserves the reproof of his associates. If his act be deliberate, he deserves their censor, and that in no uncertain terms.

Time was sought to correct an error made by the gentleman from Texas [Mr. MAVERICK], not because of any feeling of personal hurt or chagrin, but for the reason that today throughout the country there are two schools of thought held by two groups of people who are swiftly and steadily traveling toward a destination which, when reached, if the objectives now sought are not changed, can but lead to bloody civil strife. These are not the words of an alarmist. The fact is known to all.

For that reason there should be no misinterpretation of the signs along these pathways, there should be no misunderstanding of the purposes of those who advocate their use, no regret after our choice has been made. Let us look, therefore, at the facts as they exist. On June 22, CONGRESSIONAL RECORD, page 6162, the gentleman from Texas [Mr. MAVERICK], speaking in the House, among other things said:

Mr. Speaker, referring to the behavior of judges, the gentleman from Michigan [Mr. HOFFMAN] turned to me and said that I had gone into the State of Michigan and had made a speech for the C. I. O., stating that I hoped the C. I. O. would be organized in the South. That is not wholly correct. I want labor organized in the South and everywhere, and the citizens can choose what organization they please. I am frank to say that I hope the C. I. O. is organized in mass industries.

The statement by me, as referred to by the gentleman from Texas, will not be found in the printed RECORD, as under permission given me to revise my remarks, it was stricken. In fairness to the gentleman from Texas, I have obtained from the stenographer a transcript of what was said on the floor. It was this:

Mr. HOFFMAN. I will try hard to abide by the ruling of the Chair. The point of order is raised by the gentleman from Texas who went into Michigan and told people up there he was going

to help the C. I. O. organize the South as well as the North to free the slaves of Ford. [Laughter.]

My basis for that statement was taken from the remarks and a speech which he caused to be inserted in the Appendix of the RECORD, from pages 1517 to 1519, and which I ask you gentlemen, if you are interested, to read as it is a notable contribution to present-day knowledge. The address was delivered on June 5 before the United Automobile Workers of America, at Baby Creek Park, Detroit, Mich.

The gentleman stated to his audience, among other things:

Oh, my friends, I want you to know in the first place that down my way labor is not very well organized; labor is not very well organized anywhere in the South. But let us get organized North, South, East, and West, and let us do it for the purpose of preserving American liberty and the American standard of living.

You know, my friends, I thought it a little significant and that it really meant something, because the very first tune you played was John Brown's Body Lies A Moldering in the Grave. That is the same tune they played and the same song they sang when the slaves were freed in the South.

Yes, fellow Americans, that's what we are going to do for the people of the Ford plant. [Applause.] Or, better, in modern parlance, we will cooperate with them in organizing so that they may protect their own rights.

On the subsequent page, he said:

* * * I know and appreciate John L. Lewis. I think he is the greatest labor organizer in America, because he has intelligence and character and because he is honest. [Applause.] * * * The point is the United Automobile Workers is a fine organization; it is the strongest one in the field; and Lewis is the strongest man in the field; and Homer Martin, your leader, is absolutely O. K. [Applause.]

The accuracy of the author, historian, and statesman from Texas and the nature of his reasoning may perhaps be understood by two quotations from the RECORD.

The eminence of the gentleman from Texas who confers with the President, who, according to the papers, announces the President's will upon his return from the island, makes me hesitate that I should question either his accuracy or his philosophy.

In passing, let me note, that on page 1589 of the Appendix of the RECORD, in the speech delivered by the gentleman, I find this statement:

After the war began there were more and more blunders. Armies went out of their way to meet and destroy each other, and their tactics were brave and courageous, but foolhardy to the extreme.

May I most humbly venture to say to the Speaker and to the Members of the House that there is a somewhat startling statement. Armies went out of their way to meet and destroy each other. The gentleman from Texas added greatly to the historical knowledge of our day by that statement.

Again I find on page 1586 of the Appendix of the RECORD, news for you of the South who so justly glory in the bravery of your soldiers. The gentleman from Texas, referring to the heroism of General Pickett and his men, said:

But I was shown the field where General Pickett charged, and I could see in my imagination the Confederates as their cavalry sabers flashed in the sun, bravely advancing in futile attack.

Again, if memory serves correctly, Pickett's men went forward across the shell-torn fields, advanced up the hill, surmounted the fence, but they were on foot, and it was here, as leaders of this charge, that brave Armistead and Garnett died within the Federal lines and at the muzzles of Cushing's guns. Cushing gave up his life at the same time. But perhaps I am unduly critical in suggesting to the gentleman the facts should not be disregarded and truth ignored, even where the object is the attainment of some worthy end.

The record of John L. Lewis is written so that all men may read it, all men may choose whether they will follow his leadership. It would be presumptuous for me to suggest to the gentleman from Texas that he should follow any man as a leader.

It would not be improper, however, to call his attention to the fact that after a telegram was received at Herrin, Ill., in 1922, 25 unarmed, defenseless men, who had surrendered to Lewis' mine workers, were either beaten, shot, or hanged until

all were dead. It should not be forgotten that, while Lewis has collected millions of dollars in dues from workingmen, he has left behind a trail of loss of wages, reduction of production, violence, bloodshed, and death unequalled by that of any other labor leader.

It might be noted in passing that a Department of Labor report shows that during the first 4 months of the year, 10,851,706 days' work were lost, and this by labor while Lewis was carrying on his campaign.

From 1922 through 1926, a period of 4 years, 17,050,000 workdays were lost because of strikes. From 1927 through 1931, another period of 4 years, 5,665,000 days' work were lost because of strikes.

It will be noted that, while Lewis was in the saddle organizing and directing labor, almost twice as many days' work were lost through strikes in a period of 4 months as were lost in the 4 years from 1927 through 1931.

It is the gentleman's right—it may be his pleasure—to turn in on a highway like that and follow it to the end of the road. For myself I seek another destination over a traveled way, perhaps not so easy, not so broad, and at times perhaps more lonesome, but which, along its traveled way, has signboards of equality, justice, law, order, and which in the end has liberty for the individual, prosperity and perpetuity for the Nation.

June 22, in the House, the gentleman said:

I am getting a little bit tired of constantly hearing this ranting and roaring of the gentleman from Michigan [Mr. HOFFMAN]. It is getting very boring—

May I most humbly apologize to the gentleman from Texas and assure him that I will endeavor to avoid any contest, for I have not the slightest idea of ever at any time, in view of the excellence of his performance in the House, making the slightest effort to compete with him in ranting or roaring.

May I concede to him all the laurels which go to the winner of such a competition. If not presumptuous, may I suggest that he might have retired to the cloak room for a few moments and saved himself a bit of weariness.

The gentleman then continued—

But, speaking of his getting together an army and marching into a State, if we go back into history and study one of the famous judicial trials of the South, when Mr. John Brown came into the State of Virginia with arms and ammunition he was tried for treason. Suppose Mr. John Lewis would announce, like a Congressman, that he was getting up an army to invade a State, what would happen?

But a Congressman can get up and say that he can invade a State with arms and ammunition, and have his son get ammunition, like John Brown's son did, and that is all right. That is fine; that is wonderful. But if John L. Lewis said that, he would be tried for treason, as John Brown was. He would be called a traitor on this floor; but we permit one of our own Members to do it. What is sauce for the goose is sauce for the gander; and a Congressman has no more right to violate the law of the land than John Lewis or anybody else.

Most assuredly a Congressman has no right to violate the law of the land. He should, and I have always tried to be, extremely careful to obey not only the laws of the Federal Government, of the State, but the ordinances of all communities.

Never but once have I even taken advantage of the privilege of a Congressman to park where others could not, except as I park my car in a space reserved for the purpose alongside buildings. In view of the gentleman's statement about getting together an army and marching into a State, let us consider briefly what was said and the circumstances which brought about that statement. When the facts are clear, it is to be doubted whether any true, patriotic American will disagree with what was said or the purpose intended.

Sunday, June 13, I drove into the city of Monroe, in my own State. Some time before, less than a hundred workers out of a total of over a thousand had called a strike in the Newton Steel plant, and a small group of pickets, which had kept the public highway blockaded and the men from their work, were, by officers duly appointed and deputized, driven from the picket line. In reply to this action, the

C. I. O. had announced that it would invade Monroe. It had threatened to hold a demonstration in that city.

On this Sunday I saw honest, respectable businessmen and workers armed with clubs, knives, pistols, shotguns, tommy guns, standing guard to repel an invasion. That same day, according to the newspapers, some 8,000 men from other parts of the State and outside the State—for Monroe is less than a half hour's drive from Toledo—met in the park just outside the city limits threatening advances on the people of Monroe.

I came on my way, and Monday's papers quoted Bittner, one of the C. I. O. organizers from Chicago who handled that crowd, as saying, "If we wanted violence, we'd go to Monroe today and take it", then added, "but what would we have if we took it? Who ever heard of Monroe until a few days ago? It is a fly spot on the United States." He threatened the C. I. O. would be back, and he said—I quote: "By God, they will pay for what they did at Monroe, and pay well."

Having seen the strained, drawn faces of the men at Monroe; having heard their expressions of anxiety, of fear; having sensed their determination to protect their city and their people; having in mind the invasion of the plant by hundreds of armed workers from outside the State, knowing Murphy stood back of and encouraged lawlessness and violation at Flint, Mich., I sympathized with these men of Monroe.

My heart went out to them in time of stress in their helplessness against the army which the C. I. O. could bring against them. So I wired the mayor of that city and I also at the same time wired my secretary in my home town "to have reliable citizens who are willing to go to Monroe to aid in defending the city from invasion promised by C. I. O. Organizer Bittner leave name, address, telephone number, list of arms, tents, and cots at office." For that action I have no apologies to make. The offer to the mayor of Monroe was made in good faith. It stands.

The fact which the gentleman from Texas and the C. I. O. organizers fail to grasp is that the farmers of America, the small businessmen of our country, the people, women, as well as men, in the smaller communities, will shed their blood, will give their lives, before they will be dominated, driven from their working places, from their towns and cities, by the C. I. O. or any other Communist-controlled group.

Another mistake which the gentleman and the C. I. O. workers make is the assumption that, like the innocent medicine man of old, they are immune from the fatalities which overtake others.

It is the privilege as well as the right of the gentleman from Texas [Mr. MAVERICK] to go up and down the countryside assisting the C. I. O. and its affiliates in organizing to fight and march under the banner of Madam Perkins in her effort to force businessmen to acknowledge the supremacy of Lewis. It may be his pleasure to address crowds which boo the mention of the Supreme Court, as was done at Detroit. They will make no impression; he will get little sympathy in his preachment of the doctrine that American citizens should permit their towns, their cities, their industrial plants, to be taken over by those whom he enlists under the banner of the C. I. O. and the Communists.

It may have given the gentleman pleasure to say, as he did at Detroit, "and Homer Martin, your leader, is absolutely O. K."

But I call attention to the fact that it was Homer Martin, acting under the leadership of Lewis, who stilled the wheels of industry; who closed the factories; who destroyed automobiles in the making; who prevented the orderly execution of the lawful processes of the Court; who sent workers by the thousand from their jobs; who deprived women and children of the means of livelihood; who brought anarchy to Detroit.

It was members of an organization which acknowledges the leadership of Homer Martin, who turned off the power in the Saginaw Valley, depriving hundreds of thousands of citizens of the necessities of life and who undoubtedly would have kept the people of that valley plunged in dark-

ness, had not the sheriffs of three counties notified Michigan's Governor that the citizens would take the law into their own hands, if power was not restored.

We have come to the parting of the ways. For the moment the broad and the easy road, politically, may be the one pointed out by the gentleman from Texas. Along that road under the banner of a fighting leader with almost unlimited funds at his command, with an organization the like of which has never been seen in this country, march hundreds of thousands of grim, determined men who have been led to believe, who are told frequently, that they are the slaves of industry, of men who would deprive them of their just rights.

Small wonder then that they are earnest, that their actions are vigorous, that they are willing to sacrifice. But hundreds of thousands of men have suffered and have died because of erroneous belief, because of false leadership. Lewis is hailed as the greatest labor leader of the century, and it is true that he has gathered millions under his banner, but he has gathered them by the holding out of false hopes, promises impossible of performance, and by intimidation and violence.

And where has he led them and what has he accomplished? Examine thoroughly, painstakingly, the history of the recent strike in General Motors. Compute for yourself from reliable sources the increase in wages and against it set the total pay-check loss of the workers, and to that loss add the amount which Lewis' organizations collected for initiation and dues. Then balance your books and note the result. Ascertain the working conditions and the hours which prevailed before Lewis entered the field, examine subsequent conditions, and determine what, if anything, has been gained. Apply the same methods to the other industries which have felt his blighting touch, and you will have a fair and true picture of what has happened.

That the C. I. O. does not always represent the workers has been convincingly and spectacularly demonstrated at Youngstown and also at Johnstown, where, when the workers were assured of protection, they went back to their tasks, the mills were opened, and the pay checks are ready.

But that is not the whole story. Lewis raises a man of straw, a false issue, and makes the declaration that his fight is between the workers and the employers. All know that this is not true. His fight is not only against the employer, but into that battle he has thrown his workers against the unorganized and the organized workers who do not belong to his organization. From the beginning he has constantly attempted to drive every toiler into his organization to sign on the dotted line. About this there is no dispute, so that under whatever banner the fight may be waged, under whatever slogan the battle carried on, the truth is that the C. I. O. is fighting not only the employers but all other industrial workers.

Even this does not complete the story, for aside from the workers in the industries where Lewis' efforts are concentrated, the New York Times in an editorial of yesterday tells us:

* * * that all the workers in all the coal mines in the country, in all the iron, copper, gold, silver, lead, and zinc mines, in all the quarries, oil wells and gas wells, in all the iron and steel mills, in all the automobile factories and repair shops, car and railroad shops, agricultural implement factories, ship and boat works, and in all the metal-working industries together, constitute, according to the census of 1930, less than 10 percent of the total number of gainfully occupied persons.

And upon the remaining 90 percent Lewis would throw the larger part of the immeasurable cost of his industrial warfare. While the gentleman from Texas marches shoulder to shoulder with Lewis he should not forget that with Lewis and with him march Homer Martin, Frankenstein, the Reuther boys, Browder, and a host of Communists who sneer at the Supreme Court, scoff at law and order, and boast of the aid of State and Federal officials in their enterprise.

The issue cannot be confused. Letters pouring in from all parts of the country, from the uneducated and the educated, from the man who dictates his letter to the man or woman

who writes on tablet paper or a post card, from the editorial writers of the great national dailies to the most obscure weeklies, bring the word, the thought, that the right to work is not only a right guaranteed by law but it is a right demanded by necessity.

I cannot more accurately, clearly, and concisely state the issue than to quote Governor Davey, of Ohio, who said: "The right to work is sacred; the right to strike is equally valid."

He lays down the doctrine that those workers who wish to remain on strike "certainly are entitled to do so, and to continue any and all lawful protests", and that in equal fairness, he said, "those who want to work should enjoy that privilege without being molested."

Speaking of government, he said: "It must not abdicate its sovereign powers to any who challenge its existence."

Here is a declaration of principle which breeds justice for all, and which, if announced by either the President of the United States or the Governor of Michigan in December of 1936 when these sit-down strikes began in the General Motors plants, would have avoided controversy, violence, and bloodshed. It is the application of this principle as followed by Governor Davey, as followed by Governor Townsend, of Indiana; Governor Horner, of Illinois; Governor Cross, of Connecticut; Governor Hurley, of Massachusetts, Democrats all, which must be adhered to if peace is to return.

Another thing which must come before we will have lasting peace in industry is the repeal or the drastic amendment of the Wagner Act. That piece of legislation, no matter what its purpose may have been, has proven to be the entering wedge which has driven apart organized and unorganized labor, employer and employee.

The unfairness of that act, as enforced by the National Labor Relations Board, the arbitrariness of it as applied by the decisions of that Board, the encouragement which it gives to ambitious, self-seeking racketeers, have demonstrated beyond all question that it adds to, rather than diminishes, strife. Could those who passed it have foreseen the interpretation which would be given it, and the purpose for which it would be enforced, and the disaster which has followed in its wake, it is more than probable that it never would have reached the statute books.

We have the National Labor Relations Board telling us that it is the duty and the obligation of employers to sign a contract with the C. I. O. and its affiliates in various interests. We have the President of the United States making the bald declaration that employers should sign with the C. I. O. in the steel strike now on. But listen to the argument, to the promises which were made when the bill was before the Senate. The Senate committee in reporting it favorably, among other things, said:

[S. Rept. No. 573, 74th Cong. 1st sess., p. 12]

The committee wishes to dispel any possible false impression that this bill is designed to compel the making of agreements or to permit governmental supervision of their terms. It must be stressed that the duty to bargain collectively does not carry with it the duty to reach an agreement, because the essence of collective bargaining is that either party shall be free to decide whether proposals made to it are satisfactory.

Senator WAGNER himself wrote on November 2, 1935, that there was nothing in the law to compel an employer to sign. He held further and said Congress had no authority to impose such a requirement. Getting Saturday's papers, we find the reputed author of the bill particularly criticizing the mill operators because they will not sign a contract which he formerly said the law did not require them to sign, which Congress had no authority to demand that they sign, and which the committee said was not designed to compel the making of a contract or permit governmental supervision of its terms.

Aside from the use of Pennsylvania's armed forces by the Governor to drive men from their work, perhaps the most outrageous demand ever put forth was that Governor Davey said was made upon him by Madam Perkins, who, he says, asked him to call in Tom Girdler, of Republic Steel Corporation, and Frank Purnell, of Youngstown Sheet & Tube Co., and "keep them there until they sign an agreement" with their steel workers.

The Governor characterized Secretary Perkins' suggestion as the "exercise of the most autocratic and dictatorial powers ever attempted" and "in private life it would be kidnapping." Let us pause here, use a little common sense, and consider. Just assume for the moment that the Governor had the authority and could and would call in Girdler and Purnell, and suppose he called in Lewis and his chief lieutenant, and he announced his intention of holding them until they agreed. Just what agreement could he force them to make?

I am now waiving all questions of law, all questions of right. Here they sit around the council table. Lewis says you must sign. Girdler and Purnell say we will not sign. The Governor says sign; they sign; sign what? An agreement to bargain collectively. Well and good. Now, what is the bargain? Lewis has so many thousand men. He says he will work under certain conditions and for so much per hour. Girdler and Purnell say, we cannot pay it; we will not pay it. Shall the Government say, you shall pay it, regardless of whether the industry can stand the charge? Regardless of the fact that the demand may break the industry and drive it into bankruptcy? Assume Girdler and Purnell say that they cannot meet the union demand for a dollar and can pay but 50 cents per hour. Lewis says, "We will not accept it." Shall the Government say, "You must work for 50 cents an hour?"

These are extreme illustrations. Nevertheless, the constantly increasing demands of labor for a larger share of the gross sales price, the ever-present desire of the manufacturer to reap a profit, are in continuous conflict and if Government, as pointed out by Donald Richberg, assumes control, labor may in the end find itself begging for the right to sell its services to the highest bidder, rather than in a Government-controlled market.

Labor cannot be employed without industry, and industry cannot make a profit without labor, and if the two are left alone without Government compulsion to bargain collectively, and meet in a spirit of reasonableness, they will in the future, as they have in the past, find a common ground where labor will have employment at a steady wage, and industry will be able to make a profit which will enable it to exist.

Denunciation—criticism without the suggestion of a remedy—is futile. January 14, on the floor of the House, I pointed out that "by failure to act, the Governor of Michigan and the President are permitting, if not sanctioning, mob rule." From that day to the date when Governor Davey, of Ohio, announced his policy of protecting the man who wants to work, guaranteeing his right to a job; lawlessness has continued to increase, and the battle front has been rapidly widening.

The gentleman from Texas said he was getting a little bit tired of constantly hearing this ranting and roaring. May I call his attention to page 6213 of the CONGRESSIONAL RECORD under date of June 23, where the Democratic whip in the Senate said:

There is not a State in our Union which just now is not threatened with what may be called a form of riotous confusion. * * * Shall we overlook at this time and forget that it was in like manner that Italy yielded, bring in a condition which has finally resulted in a tyranny and a form of despotism we shrink to mention? * * * Here within ourselves we are nearer to insurrection and apparently, sir, confronting an army of revolt in the largest numbers, whether from the employers or the employees becomes secondary.

Turn to page 6284 of the RECORD of June 24 and note there the statement on present conditions by a distinguished Democrat whose loyalty is unquestioned, whose vision is clear:

We have got no government in Washington, and we have got no government in some of the States, because government has surrendered to mob rule.

It was with the thought of doing something to remedy the situation that, on April 15, I offered H. R. 6456. This bill provided, among other things, for the registration of labor organizations, for the enforcement by such organizations of discipline upon their members; prohibited sit-down

strikes; made labor organizations responsible for the acts of their officers and their members.

That bill has remained with the committee ever since, while conditions have steadily grown worse.

It was on June 21 that I offered H. R. 7598, making it a felony to transport in interstate or foreign commerce persons who are engaged in going from one State to another to close factories.

Each of these bills, if enacted into law, would go a long way toward aiding in the solution of some of our industrial troubles and there is nothing in either that would be unfair to labor, or that would in any way prevent the growth of unions. In fact, if the same result followed which followed the enactment of the British labor law—and there is no reason to believe that it would not—the enactment of these two measures would strengthen labor unions, aid in driving out racketeers and create new confidence between employer and union organizations.

These two bills were followed, on the 22d day of June, by a resolution respectfully calling upon the President to declare that no citizen of the United States should be deprived of the opportunity to engage in his usual and customary task, and further requesting that where the civil or military authorities of a State or of a subdivision failed, for a period of 2 days, to give protection to any person desiring to work, that right should be secured to him by the action of the armed forces of the United States.

That such a resolution was necessary to dispel the idea that lawlessness was approved by the national administration is a matter of common knowledge. Such a declaration would undoubtedly, in almost all instances, protect, without bloodshed, the right of men to work.

That this is evident is shown by the circumstances following the declaration of courageous Governor Davey, of Ohio. There, immediately upon being assured of protection, the men returned to their work, demonstrating, as I have said before, that they do not wish to strike; that they are driven into strikes by the lawless violence of a small minority.

May I not appeal to the Democratic Members of this House to consider the situation as it exists today? And when I say Democratic Members I mean Democratic Members; I do not mean New Dealers.

Many of you sat here in the last session. You heard that most eloquent Member of the House from Alabama, Mr. Huddleston, make his remarkable plea for what he believed to be right and just, and you remember how, because he dared to oppose these fanatics who were advising the President, he went down to defeat after years of courageous, patriotic service here.

Now, make no mistake and do not deceive yourselves. You gentlemen who have the courage to express your convictions are marked for political slaughter. Jim Farley and the vote-buying boys will get you if you do not watch out.

You may have thought in the past that you were a part of the national administration. Nothing is further from the truth. You have been the tools, the errand boys, for the national administration. Of all the laws which have been enacted since the President was elected, probably not a hundredth part of the thought expressed is your thought.

The gentleman from Texas told how Pickett's men made their glorious charge on the hill at Gettysburg, and, in truth and in fact, history records no instance of greater patriotism, greater courage, greater loyalty to a leader, more self-sacrificing devotion.

But in another way you gentlemen of the South have, during the past 4 years, shown a loyalty to your leader equal to that of Pickett's men. You have submerged your individual opinions. You have followed blindly, unhesitatingly, and unwaveringly the commands, the suggestions, of the President.

You have watched with doubt and apprehension many of the moves which he has made. In your minds you have questioned not only the legality but the soundness of the policies which he advocated.

Nevertheless, you yielded obedience; you made the fight; you upheld his hands.

You have been sitting here watching, waiting, hoping, and I know many of you praying, that he would cease in those efforts which at last you realize will overthrow the Government which you love.

Today you know, you understand, as you have never understood before, the road which he is following, the destination toward which he is traveling.

With amazement and almost unbelief, you saw his attack against the Supreme Court unfold. You received his reorganization bill and you sensed its purpose. You were given the hour and wage law and you realized its import.

You saw going in and out of the White House John L. Lewis, who publicly demanded that the President of the United States pay a political debt.

You have observed the President of the United States sitting silent and, by his silence, giving approval to the acts of Lewis and his organizers in wrecking industry throughout the land, in depriving men of their right to work.

You have heard the statement of a great Democratic Governor of the great State of Ohio that the President's Secretary of Labor called upon him to kidnap the heads of industry and hold them until they yielded.

And, whatever may be the controversy between the great Governor of that State and Mme. Perkins, you know that the President has not interfered when industries have been kidnaped and held to ransom.

Oh, I appeal to you Democrats of the South and true Democrats of the North, to act before it is too late.

Do not believe that the loyalty and self-sacrificing service which you have given to the President will save you. You will follow in the wake of that long, long list of patriotic Democrats who have been kicked out of the party organization.

Have you forgotten what happened to the Democrats of Minnesota in the last campaign? Have you forgotten other loyal Democratic candidates who were sacrificed by the President where his organization thought it politically expedient?

Already the signs point to a new Democratic leadership in the Senate and House.

Sucked dry like an orange, having no more to yield, you will be carelessly but deliberately tossed aside into the political gutter.

Jonah's shipmates tossed him overboard with no more disregard of consequences than will the Administration heave you gentlemen out to sink or swim—only you will find that, instead of a rescuing whale, Jim Farley and his political machine will be on your neck.

Why not from this day on make the fight, not only for the principles of true democracy, but for your own political salvation? After all, in 1938, the voters will be the ones who pass upon your fate and they will have in mind the President's assault upon the Supreme Court, upon our form of government, his approval of the sit-down strikes and of lawlessness.

The people of the United States will not quietly submit to the wrecking of their Constitution; to the assault upon the integrity of the Supreme Court; to the destruction of their form of government.

Let the President, John L. Lewis, and the C. I. O. continue on the course which they have marked out, and you will have civil strife throughout the Union.

The President has gone from an open and willful disregard of all of his campaign promises to a repudiation of his oath of office and his obligations to uphold the law, and this he has done in order to obtain his objective, which now stands disclosed as the domination of all industry and commerce and the centralization of all functions of government in the executive department.

Writers like Lawrence, Sullivan, Thompson, and Walter Lippmann, and a host of editorial writers from the great dailies of the cities to the country weeklies, have long been pointing out the end to which his course will lead, and long have they been saying that they did not believe the President was aware of the inevitable results of his actions.

This attitude was charitable, but it was inaccurate and implied that the President was a man of small intellectual

attainment, that he was deceived and misled by those who advised him.

Nothing but a lack of the knowledge of the abiding principles of justice, of equality, of a square deal for every man, or a failure to apply that knowledge, can account for the failure of the President to declare for law and order when these strikes first came about.

I ask you to read the article of Lippmann in Saturday's issue of the dailies and note how he, always a friend and an admirer of the President, has at last arrived at the conclusion that the President is seeking to establish a dictatorship.

All this welter of violence and of bloodshed which confronts us, which, beyond question, will come to us, can be avoided, if you men who believe in the principles of the great Democratic Party here and now insist upon the application of those principles to the present situation.

The time has come to repudiate men like Governors Earle, of Pennsylvania; Murphy, of Michigan; and to follow men like Governors Townsend, of Indiana; Cross, of Connecticut; Horner, of Illinois; and last and most unflinching of all, Governor Davey, of Ohio.

Get back of him, declare for law and order, pass the resolution which I introduced and see this threatened trouble fade like mist before the morning sun.

Mr. DOXEY. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Chairman, in considering this bill it is well to bear clearly in mind the purpose of the legislation and not to lose sight of that. The purpose of this legislation is to make owner-operators out of people who have heretofore not been owner-operators, or who, having been owner-operators, have failed in that capacity.

I expect to offer the following amendments which are calculated to promote the purpose of this bill:

Page 5, after line 3, insert:

(7) Be in such form, and contain such provisions, conditions, and limitations as may be necessary to assure that the borrower will conform to such farming practices and methods as the Secretary may prescribe in order that, during the first 5 years the loan is in effect, the borrower's farming operations may be sufficiently profitable to enable him to carry out successfully the responsibilities of ownership and his undertakings under the loan agreement.

Page 4, line 6, after "not", insert "less than 20 nor."

Page 4, strike out lines 24 and 25, and on page 5 strike out lines 1 to 3, inclusive, and insert:

"(6) Provide that the borrower shall not voluntarily assign, sell, or otherwise transfer the farm, or any interest therein, without the consent of the Secretary, and provide that upon involuntary transfer or sale the Secretary may declare the amount unpaid immediately due and payable.

"(8) Provide that upon satisfaction of the borrower's obligation, but not less than 20 years after the making of the loan, he shall be entitled to the farm free of any estate or property interest retained by the Secretary to secure the satisfaction of the obligation."

Page 5, line 5, before the period, insert a comma and the following: "except that the final payment of any sum due shall not be accepted if the effect of such acceptance would be to make ineffective the 20-year limitation provided in paragraph (8) of subsection (b) of this section."

The first of these amendments provides that for the first 5 years after the arrangement has been made with the beneficiary of the act he shall be given the advice of the Department and also a certain amount of supervision by the Department in order that he may not only conduct his farm in a farmerlike manner but that he shall conduct it in a businesslike manner.

I heard or read a statement many years ago which I have had occasion to see proved again and again: That if a man were in the position of an employee until 40 years of age and then were to become an employer that the chances are against his making a success. It does not foreclose his success, but it makes the chances of success against him. The beneficiaries of this act will be of two classes: Tenants who never owned a farm, or former owners who for one cause or another lost their farms. I submit to the committee that the chances are against these people paying a 100-percent loan unless they have the most careful supervision and advice. This amendment provides that during the first

5 years of this relationship they shall have the benefit of sound advice and wise supervision.

My second amendment provides that the beneficiary of the act cannot alienate this farm; that is, he cannot sell it during the first 20 years of this relationship.

He cannot pay off his obligation completely for at least 20 years.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. As I understand the gentleman's amendment, he cannot pay it off in less than 20 years?

Mr. BIERMANN. Yes.

Mr. ROBSION of Kentucky. Why is that?

Mr. BIERMANN. I am going to go into that.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from New York.

Mr. FITZPATRICK. Would that be mandatory? Would he have to carry out the advice of the Department? In other words, would it be mandatory?

Mr. BIERMANN. I think that is something the Secretary ought to work out, but I believe to a large extent it ought to be mandatory.

We are not entering into a strictly business relationship. We are entering into a sort of paternal relationship. Of course, it is not sound business policy to lend 100 percent of the value of property. It is not businesslike to lend money at 3 percent, because that will not pay the cost. If we enter into such a relationship, I contend it is proper for the lending agency to exercise some supervision over the borrower.

Mr. FITZPATRICK. Does the gentleman's amendment make it mandatory?

Mr. BIERMANN. I think it does. Yes.

Mr. VOORHIS. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from California.

Mr. VOORHIS. Has the gentleman considered the possibility in connection with this advice and counsel, which I feel is most important, of allowing the tenant certain credits against the indebtedness if that advice is followed?

Mr. BIERMANN. No; I have not considered that.

Mr. WADSWORTH. That would be lending more than 100 percent of the value.

Mr. MITCHELL of Tennessee. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Tennessee.

Mr. MITCHELL of Tennessee. My colleague is a member of the committee and I know he is anxious to serve the farmers. I do not understand the gentleman has in mind he would actually keep the man from alienating or selling this farm for a period of 20 years?

Mr. BIERMANN. Yes; exactly.

Mr. MITCHELL of Tennessee. Would not that discourage the idea of taking advantage of a Government loan?

Mr. BIERMANN. No; I do not think so.

Mr. MITCHELL of Tennessee. I think it would.

Mr. BIERMANN. Mr. Chairman, I would prefer not to yield any more, as my remaining time is short.

It has been pointed out here again and again this afternoon that this legislation is going to reach only a small fraction of the potential beneficiaries, at least for a few years. We can hand pick them. I would like to hand pick the kind of people who seriously want to make these farms their long-time homes, and not to enter into speculation. There are two things that have been of great damage to the farming business of the United States; at least, these are two of the biggest items. One is the ups and downs in the prices of the products of the farms. The other, which has been nearly, if not quite, as damaging, has been the ups and downs of the price of the land itself. If we leave this bill as it is, a man may buy a farm today for \$50 an acre and if in 6 months he can get \$60 or \$75 an acre for the farm, under the bill as it is presently written he may sell

the farm and, of course, he will. Instead of getting a long-time owner operator of the farm who looks upon this farm as his home and as his dwelling we have a speculator.

We want to recall if we pass this bill and make it law we are going to get the Government into the business of financing the purchase of farms. The Government, in effect, becomes another land buyer and each added buyer tends to raise land prices. That is a bad thing. My amendment will, as far as the beneficiaries of the act are concerned, take the land the Government finances out of the speculative class for 20 years at least. It will make this a bill for the benefit of permanent home owners, and that should be the main purpose of the bill.

Mr. LUCAS. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Illinois.

Mr. LUCAS. If we take this man out of the speculative class, we would permit his neighbors to speculate on their farms and deprive him of any profit they might make on theirs?

Mr. BIERMANN. Under this bill we are considering just one type of farm and I would rather confine my discussion to that one type.

Mr. LUCAS. Would not the gentleman consider a wind-fall tax, whereby we would take the profits on all farms rather than take the profits on a single farm?

Mr. BIERMANN. Yes. I would be in favor of any kind of practical legislation that would prevent or lessen speculation in farm land.

May I say further that the amendments I propose are precisely in line with the findings of the Farm Tenancy Committee which the President of the United States appointed to investigate this problem, not only in this country but in foreign countries. They have written a report in which they suggest what we should do in regard to this problem of farm tenancy, and among the things they proposed are these two ideas which I have embodied in the two amendments.

Mr. THOM. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Ohio.

Mr. THOM. I am in sympathy with the general object sought to be attained by the gentleman from Iowa, but let us suppose this instance: Here is a family who locates on a farm and the husband suddenly becomes an invalid and cannot continue the operation of the farm.

Mr. BIERMANN. The bill covers a situation of that kind in another section. My amendment would not preclude that. If a man becomes an invalid or if he dies or if some unforeseen thing happens, there is a remedy provided.

Mr. THOM. You would have to have some discretion in the Farm Board.

Mr. BIERMANN. The following is a simple illustration of what may happen in thousands of cases if the credit and mortgage program as now proposed in H. R. 7562 is put into effect and the purchasers are allowed to pay their debts to the Government and sell the land at any time they desire. Let us assume that the reasonable appraised value of the farm is \$3,000, and that the Secretary secures the loan by a first mortgage on the property which is to be amortized within 30 years, at 3-percent interest. Under such circumstances the annual payment would be \$153, a part of which would be used to reduce the amount of the loan. Within 3 years the tenant purchaser would have repaid the Government approximately \$195 on the principal of the \$3,000 loan.

Suppose now that land values have risen and a local real-estate operator knows that he can sell this particular farm for \$4,000. Obviously, he can make a profit if he can buy the farm for \$3,500. Since the tenant purchaser agreed to pay the Government \$3,000 for the farm, and has actually paid only \$195 on the principal, it is obvious that he also has a chance to make a profit by selling for \$3,500. If he accepts the offer made by the real-estate dealer, he can pay the Government the balance of \$2,805 and have left \$695 in cash, of which \$500 is clear profit.

Both the speculator and the farmer have made a \$500 profit each on the double transaction. But what has happened to the Government's program of aiding the tenant farmer in becoming an owner? Obviously, it has failed. The tenant purchaser whom the Government started toward home ownership no longer has a farm. The man who now owns the farm may be another speculator or an absentee owner. He may, of course, be an operating farmer, but even so, he has paid \$4,000 for a farm at speculative levels which, according to normal appraised value, is worth only \$3,000.

Unless there is some kind of restriction in the mortgage or loan contract, which will prevent such a situation from occurring, a Government program of this type will aid in bringing about an increase in land values. Its greatest adverse effect will be at times when speculation is rife, and hence the program will be a direct impetus to speculative booms.

[Here the gavel fell.]

Mr. DOXEY. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. COFFEE].

Mr. COFFEE of Nebraska. Mr. Chairman, title I of this bill provides authority for the Secretary of Agriculture to loan \$10,000,000 for the first year, \$25,000,000 the second year, and \$50,000,000 the third year to farm tenants, farm laborers, and sharecroppers to purchase farms. While this is a large amount of money, it will be only a drop in the bucket in comparison to the amount that would be required to make farm owners out of all the farm tenants in this country. At present there are 2,860,000 tenants. There are 40,000 people being added to this class annually. Assuming that the average cost of a self-sustaining farm would be \$5,000—and it runs much more than this in the North—only 2,000 tenants in the United States could be financed the first year, 5,000 the second year, and 10,000 the third year, with \$50,000,000 appropriated. In other words, the \$50,000,000 would only take care of about one-fourth of those dropping into the tenant class every year, and it would provide a farm for only one of every 286 tenants and sharecroppers in the United States. The \$10,000,000 will provide loans to purchase only 1 farm for every 1,430 tenants and sharecroppers.

With 2,907 counties in the United States having 300 or more farms each and regarded by the Agriculture Department as agricultural counties, it is evident that it would require approximately \$15,000,000 to finance only one tenant in each of these agricultural counties in the United States. It is clearly evident that only a very small percentage of the tenants can be benefited under this legislation and that the vast majority, who might be led to believe that a generous Federal Government will loan them money to purchase a farm, will be disappointed. If you are going to treat them all alike, it would require over \$14,000,000,000 to finance the purchase of farms for all the tenants and sharecroppers in the United States. Obviously this cannot be done.

Under the bill as it stands, the Secretary is authorized to loan 100 percent of the purchase price. Such an unsound loaning policy by the Federal Government, in my judgment, cannot be justified.

The serious question involved is, Should the Federal Government embark on an unsound program that will in future years bring demands on Congress to appropriate billions of dollars for this purpose, or should we approach this problem with a more practical loaning policy that would in itself limit the number who might apply for the benefits of this act?

I propose to offer an amendment at the appropriate time to section 3 (a) of title I, to provide that these loans shall not be in excess of 90 percent of the value of the farm. I do not contend that this will make all the loans sound, but it will be a great improvement over the present provision authorizing 100-percent loans. It is a mistake to encourage tenants to assume the burden of ownership before they are financially able to do so. A great many farmers are in a far more fa-

avorable position as tenants than they would be as farm owners.

By requiring the tenant who is to be financed to make a down payment of 10 percent, the Government will be saved millions of dollars in possible future losses and the future success of this program will be greatly enhanced. It will encourage thrift to make loans available only to those tenants who are better able to purchase and assume the burden of financial responsibility of operating their own farms. And furthermore, by requiring the 10 percent payment, the prospects are greater for the purchaser to eventually pay off the indebtedness due the Federal Government.

This bill will not solve the farm-tenant problem which is a result, rather than cause, of an economic maladjustment. If we could make farming profitable, the farm-tenant problem would solve itself.

I have 32 counties in my district, which is entirely of an agricultural nature. The State of Nebraska depends solely upon agriculture as it has no natural resources other than fertile soil and water. Of the farmers in my district, 49.3 percent are tenants. I do not believe there is a better class or a more worthy class of farm tenants in the United States than you will find in Nebraska. They are not expecting, neither are they asking, the Federal Government to finance the full purchase price of a farm for them. They realize that some limitation must be placed on Federal expenditures and that they will be called upon as taxpayers to repay their share of the 36 billion dollars of bonds the Federal Government now owes, not to mention any further increases that may be incurred. They realize the Federal Government cannot maintain its stability in continuing indefinitely to spend more than its revenues. They are more interested in legislation that will maintain fair prices on agricultural commodities.

Nebraska last year suffered a loss of \$288,000,000 due to the drought. This is more than one-half of the total loss sustained by all of the States in the recently flooded area of the Ohio River. In 1934 we suffered a drought equally as severe, and the 2 years were the worst droughts in over 40 years. In spite of all this, Nebraska as a State has maintained its credit and is one of the few States in the Union that has no bonded indebtedness. It has no State income tax nor State sales tax. Nebraska balances its budget. When we do not have the money we do not spend it. I commend Nebraska's record to you in charting the future financial policy of the Federal Government.

Because of the great distress in the drought area, rehabilitation loans, as provided for in title II of this bill, have been of great assistance in rehabilitating many worthy tenants. In many cases a loan of a few hundred dollars has made it possible for these rehabilitation clients to become self-sustaining on rented farms at less expense to the Federal Government than would have resulted had they been left on the relief rolls and to work on W. P. A. projects.

Under title III funds are authorized for the purchase by the Government of submarginal land. This would be a continuation of the present program and in many States additional purchases are necessary to block together the purchases already made. The objective is to retire this submarginal land from unprofitable crop production and to turn it back to grass and into grazing and forest areas. In purchasing this land the Government will have something to show for the money spent. It will help to relieve crop surpluses, especially in wheat, since in good years this submarginal land helps to swell the price-depressing surplus. Twenty-five percent of the net revenue received by the Secretary from the use of the land will be paid to the respective counties for school and road purposes. This is quite essential inasmuch as a great deal of the taxable property in some counties has been or will be purchased by the Government under this program.

I am supporting titles II, III, and IV of this bill, and I urge that title I be amended to limit the loans to 90 percent of the value of the farm in order that we may approach the farm-tenant problem on a sounder basis. [Applause.]

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, although I am speaking on a related subject, I ask unanimous consent to proceed for 10 minutes out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

THE FORGOTTEN MAN—THE AMERICAN DAIRYMAN

Mr. CULKIN. Mr. Chairman, the gentleman from New York [Mr. SNELL] last week made reference to the sad plight of the dairymen in the North and Northeast. This picture he painted was not too pessimistic. The American dairyman, be it said, is making a more important contribution to the health and welfare of the American people than any other type of farmer. He is making an essential contribution to the physical growth and development of American childhood and youth. It is important to remember in these days when we are spending hundreds of millions of dollars on soil conservation that his is the only type of farming that conserves soil fertility. Nor is his any seasonal job. He works from dawn to dark 365 days of the year. The assessments on his property require him to pay \$90,000,000 annually in taxes. The dairymen of the North and East have spent \$250,000,000 in perfecting their herds and in insuring the sanitary production and marketing of milk. He educates his worth-while child and from this group is recruited the American leadership in professions, science, art, and politics. Despite all this record of service to the Nation, he is today threatened with social and economic extinction. If present conditions continue he and his will be scattered to the four winds, and the professionals, exploiters, and economic parasites will be "in the saddle."

THE FORGOTTEN DAIRYMAN

The condition of the corn, cotton, and wheat farmers has, so far as the Government can do it, been aided and promoted. But on the head of the dairyman has fallen in these troublesome times all the evils of an arrogant and stupid bureaucracy. The original A. A. A. included dairy products as one of the basic commodities. Under the urge of the late Rex Tugwell, now gone to sweeter camping grounds, Secretary Wallace's initial object was to hamper the dairyman by destroying the solidarity gained through cooperative organizations. This procedure failed, but it left the dairyman exhausted and with no governmental remedies applied to his desperate condition.

No sooner was the program out of the way than the dairyman was placed on the altar of foreign trade by the present scheme of trade agreements. In these agreements he was sold over the Lakes and across the seas by the foreign trade policy of the administration. Year by year this foreign encroachment on the market of the dairyman, both from this continent and Europe, has been increasing in volume. Last year the shipment of dairy products to the United States from sources where sanitary production is entirely unknown, amounted to \$16,102,954. The foregoing facts are now history, and I merely review them so that the House may have a picture of these recent years.

UNDERPAID AND EXPLOITED

The economic vise in which the dairyman finds himself is due to the fact that he has been unable to obtain a living price for his product. This has not been due to overproduction, although at times the production of dairy products just about balances the national demand. The fact is that this marketing of dairy products is in the grip of an unrestrained savage monopoly which reaches into practically every part of continental America. This monopoly is composed of the National Dairy Products Corporation, which corporation, acting in collaboration with the Borden Co. and the Plymouth Cheese Board, of Plymouth, Wis., fix with inflexible certainty the amount that the dairy producer shall get for his product. These outfits hold the dairyman in the hollow of their hand, and, while these great

corporations are paying high dividends on their very much watered stock and millions to their officers and lobbyists in salaries, they give the dairyman starvation prices for his products. I again make bold to say that the dairyman, under the manipulations of these professionals, will soon cease to be an economic and social factor in America.

A CRIMINAL CONSPIRACY

The first phase of this criminal monopoly to which I wish to call your attention is the price-fixing performance which for many years has been going on at Plymouth, Wis., principally through the Plymouth Cheese Exchange. I call the attention of the House to the report of the Federal Trade Commission made April 30, 1928, and printed as Public Document No. 95. It appears that this Plymouth Exchange meets weekly and is made up entirely of dealers and processors. The dominating influences on the board are the National Dairy Products Corporation, the Borden Co., and the "packer kings", Swift & Co., and Armour & Co. The satellites of these outfits meet before the alleged market day and agree on a price of cheese for the following week. The next day a meeting of the board is held and the fiction of bids with no deliveries is gone through with. The price of cheese is thus fixed for the following week by these criminal monopolists and the 140,000 dairy farmers who are delivering milk to cheese factories throughout the United States receive a price for their milk at the cheese factory based on the weekly price of cheese fixed as I have stated.

There are 160,000 farmers delivering milk to evaporated milk plants in the United States, and the price they receive is fixed on a formula in which the price of cheese at Plymouth, Wis., is a large factor.

In the Chicago milkshed at least 20,000 dairy farmers are delivering milk for fluid purposes in the city of Chicago, and they are paid for their milk on a formula which takes into consideration the price of cheese at Plymouth, Wis., fixed by the "packer kings" and their associates. In the Nation generally there are 2,500,000 additional dairymen whose economic life is threatened by this brazen procedure.

The price of milk products is interdependent. When the price of either butter, cheese, or fluid milk is beaten down, it affects the whole price structure in every part of the country. It affects the well-being and security of every dairyman in the Nation. And so I charge today that there exists at Plymouth, Wis., a criminal conspiracy against the well-being of a great mass of our people, which is, in fact, holding this great army of dairy producers in a state of almost complete serfdom. The Federal Trade Commission has made repeated findings on this question, and yet the executive branch of our Government and those officials in charge of enforcing the Antitrust Act do not function. They permit this economic homicide to go on without hindrance.

THE ROBBER BARONS

I refer the Members of the House to the report of the Federal Trade Commission, made in September 1936, where it reiterates former findings, and states that the price of twins cheese, which is also the basis of determining the price of fluid milk to dairymen, was fixed by the sales offers made on the Plymouth, Wis., Cheese Exchange by a subsidiary of Swift & Co., a subsidiary of the National Dairy Products Corporation, a subsidiary of the Borden Co., and a subsidiary of the Armour Co. If the Federal Trade Commission does not have jurisdiction over this question, the query naturally arises as to whether or not they called it to the attention of the Attorney General's office. Three times this Commission has gone to the well on this and made findings, and yet on March 2, this year, the Commission sent out a new press release, which only promised further investigation. I make bold to call upon the Federal Trade Commission to pursue this inquiry to its logical conclusion and to call into play the full power of law enforcement against the "packer kings" and the other robber barons, who are, in fact, destroying one of the most essential and worth-while farm groups.

THE DUTY OF THE ATTORNEY GENERAL

I likewise call upon the Attorney General, whose record in the field of criminal-law enforcement is greatly commended and admired by me, to turn loose the G-men of his

Antitrust Division against these greedy monopolists who are robbing the American dairyman blind. I suggest to the Federal Trade Commission and the Attorney General that they stand not upon the order of their going, but go at once and land some of these criminal parasites behind the bars of Leavenworth prison, or some other convenient Federal domicile.

My remarks on this question would be inconclusive if I did not enumerate more in detail the outfits which are destroying the dairyman. Let me briefly call the roll on some of these participants in this criminal conspiracy.

First, there are the so-called "packer kings", Swift and Armour, and others of their ilk. They toil not, neither do they spin, but even during the lean years of the depression they showed profits well up into the hundred millions. Just now they are engaged in a frontal attack on the butter market by exploiting the manufacture and sale of synthetic oleomargarine in place of life-giving butter. You have all had their propaganda on your desks and know whereof I speak.

THE MONOPOLY CALLED THE NATIONAL DAIRY PRODUCTS CORPORATION

Perhaps the most colossal outfit in this field is the National Dairy Products Corporation, which was born in 1923, and is now in control of, and has acquired by purchase, 238 organizations which have to do with the marketing of dairy products. They reach into every nook and corner of the land, and for good measure, so they may give the American dairyman foreign competition, they have plants in eight foreign countries. The report of the Federal Trade Commission, filed with the Speaker of the House on September 30, 1936, shows that during 1935 48 officers and executives of the National Dairy Products Corporation received in excess of \$15,000 each, and that the total salaries of this group amounted to \$1,129,000. The average salary of these men came to more than \$25,000 annually. The president of this company received an annual salary of \$108,000; J. L. Kraft, an officer, received \$75,000 annually, and L. A. Von Bomel, of the Sheffield Farms, a subsidiary of the National Dairy Products Corporation, received an annual salary of \$60,000. These were the salaries which appeared on paper, but doubtless the amount they received in bonuses and from other sources amounted to as much more. It is safe to say that they disburse annually for lobbyists and entertainment in various State capitals and for political lawyers as high as \$5,000,000. All through the years and through the depression they paid liberal dividends on their preferred and common stock, this at a time when the dairyman was going over the hill to the poorhouse. This quasi criminal outfit has a stranglehold on the milksheds of the country.

I charge that the National Dairy Products Corporation is in direct collusion with Borden, the "packer kings", and other distributors in fixing the price paid to the producer.

THE FUNCTION OF THE FEDERAL TRADE COMMISSION

I have been carefully through the findings of the Federal Trade Commission in the various milksheds as to the activities of this outfit. May I say that I have always had a high regard for the Federal Trade Commission as a fact-finding body? I have been inclined to class them with the United States engineers in their loyalty and devotion to the public service. But I confess a feeling of disappointment in reading their report. In some respects it is haphazard, and its conclusions are often mere surface findings. It does not live up to the high traditions of the Federal Trade Commission. Reading between the lines it is apparent to me that monopoly exists in most of the milksheds of the country, and the National Dairy Products Corporation and the Borden are in command.

It appears, too, from the correspondence set forth in the report that these outfits have divided up the various milksheds like captive provinces and have thus regulated the price the dairyman gets for his product. This question is, of course, infinitely more important than any partisan consideration, but the story is rife, and will not down, that Field Marshal Farley has placed his hand on the staff of the Commission. We all know the firm of Davies, Busick & Richardson, lawyers, are the attorneys for the National Dairy Products Corporation. Joseph B. Davies, of this firm, is

now Ambassador to Russia and Donald Richberg, who was the last potentate of the defunct N. R. A., is likewise a member of this firm. Mr. Richberg is said to be the Presidential choice for the Supreme Court vacancy and is now said to occupy the position of chief adviser and "brain trust" extraordinary to the distinguished occupant of the White House. I am curious to know how much the National Dairy Products Corporation pays this firm of lawyers and for what.

The fact is the National Dairy Products Corporation has gone into 300 communities and by oppressive methods, which were characteristic of the lush days of the Standard Oil Co., broke down the price structure to the dairymen and so holds him eternally in a vise. This inference of mine would be made by any jury, and the statement that the National Dairy Products Corporation only use such a percentage of national production, as appears from this report, would seem to come from the lips of the political lawyers who represent this outfit.

THE BORDEN GROUP

Hand and hand with the National Dairy Products Corporation goes the Borden Co., which now controls 200 companies in every branch of the dairy industry. There are 19 States, as well as Canada, England, and Sweden, in which this company is active. I call attention again to the foreign affiliates of this company. They are used, of course, to stimulate foreign imports and to break down the price structure to the dairyman. The surface salaries of this outfit amount to more than a million dollars a year. The president, Arthur W. Milburn, receives \$95,000 a year. This company is especially concentrated in the metropolitan areas, where the spread between what the producer gets and the farmer gets is little short of murderous. The correspondence printed by the Federal Trade Commission established conclusively that this company is acting in violation of the antitrust act continually. The methods of this company are notoriously corrupt and oppressive. They maintain lavish suites at the various capitals and you can always have the Borden lobbyist pointed out to you. He usually sticks up like a sore thumb. Last year the Borden profits were the best in its history.

The foregoing is true of the National Dairy Products Corporation. Last year their income was higher than ever before. Their net profit, after charges and dividends on preferred stock had been deducted, amounted to \$13,000,282.38.

I have great confidence in the integrity and high ability of Messrs. Davis and Ayers, of the Federal Trade Commission. They were former Members of the House. I was delighted when the President appointed them to the Federal Trade Commission, for I knew they would carry the banner for real law enforcement in the interests of the people. I have not lost my confidence in these men. But I am calling to the attention of the country and the Commission the foregoing facts and hope that investigations of milksheds where the National Dairy Products Corporation is concerned will no longer be perfunctory or casual. In doing that I speak for the dairymen of my district and of the country. Not long since the president of the Dairyman's League in New York State, Mr. Fred A. Sexauer, called the attention of the dairymen of New York State to the fact that dealers expect, through coercion, threats and propaganda to force farmers to protect dealers' interests. Mr. Sexauer knew whereof he spoke. There is a new milk law in New York State, born of agitation and distrust, and obviously it is the intention of these monopolistic outfits like the National Dairy Products Corporation and Borden to endeavor to take the law in their own hands. I particularly invite that situation to the attention of the Federal Trade Commission and ask that they go into action on it.

A CHALLENGE TO ORGANIZED SOCIETY

In conclusion let me state the conditions I have described are a challenge to organized government. They concern public health and a vast number of dairymen who have their backs to the wall by reason of this monopolistic performance. The legal machinery is adequate for disciplining these exploiters and the time is now ripe when they

must be shown that organized government and the law dominates this Nation. The Congress and the country will watch with interest and concern the performance of the Attorney General and the Federal Trade Commission in this situation. [Applause.]

FARM-TENANCY BILL

Mr. DOXEY. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Chairman, my congratulations to our colleague from New York [Mr. CULKIN.] He has put his finger on the difficulty and explained why we have farm tenancy.

We have heard eloquent speeches from the Chairman of this Committee, from the Speaker of this House, and from the always eloquent gentleman from New York [Mr. WADSWORTH]. The real reason for farm tenancy was correctly stated by Mr. CULKIN.

I hope you are all familiar with Charles Beard's history which he calls the Rise of American Civilization. In opening his chapter on agriculture, he says:

In every age and in every clime where civilization has passed its most primitive form, there has always appeared a small group of men devoted to finance, commerce, and industry, and this group of men has always borne down with terrific oppression upon the group that derives its sustenance from agriculture.

When our Speaker this afternoon so eloquently told us of the conditions in Alabama and described the condition of those people who are the descendants of the Huguenots and the Cavaliers, the best blood of America, I could not help but wonder why they had lost their heritage. It is a well known fact that following the Revolutionary War the finest strip of land on earth was from the Alleghenies west to the Mississippi River and from the Lakes to the Gulf, afterward increased by the Louisiana Purchase and extended later by the acquisition of Texas and the great Northwest. Why did the descendants of these Cavaliers and Huguenots lose their lands? For the very reason that Beard so graphically described—on account of the group devoted to finance, commerce, and industry who, today, have borne down upon the group that lives on the farm as described so eloquently by the gentleman from New York.

Farm tenancy is a symptom, it is not the disease. A few weeks ago I had an acute pain in my side. The physician looked me over. He did not give me medicine to kill that pain, he put me on a table, cut me open, found out the cause, removed it, and this is what we should do with respect to farm tenancy. What has caused it? The very thing that our colleague from New York has so graphically described.

It surely is not necessary to call the attention of the Committee of the Whole House to the fact that this bill under consideration is no cure for the farm problem. It will not even scratch the surface. This farm bill is a mere gesture. The farm problem is a serious one which has been more than a century and a half in the making. Soon it must be met and solved by some substantial and far-reaching action quite unlike our emergency legislation. The American farmer must really be put on a parity with industry or he will sink to peasantry. By "parity", I mean income for labor and investment and resultant products equivalent to that which is the reward in industry and commerce. Farm tenantry is not even one of the major problems confronting the men and women who are producing the food and fiber upon which America is living, and upon which industry thrives. Millions upon millions of acres of land were given by the Government, practically without cost, to the ancestors of many of the present tenants. Conditions that made tenants of them, instead of landowners, are still here. These conditions are not corrected by this bill, nor can they be changed by any similar bill. Tenancy conditions are very different in sections of our country. In my section, good farmers prefer to rent lands because they make more money and have full use of earnings, avoiding taxes and interest. It is now hard to find a good farm for rent. In some sections tenancy seems to be a form of peonage. The same legislation cannot be

curative in all situations. The Committee on Agriculture of the House spent over 12 weeks, sitting almost every day, considering practically nothing but farm tenancy. It was the longest discussion of one phase of the farm situation that has occurred in that committee since I have been a member of it.

THE FIRST TENANT BILL

While I do not consider the problem a major one, nevertheless, since farm tenancy increases year by year, it is a matter of concern and should be studied. It will continue, in spite of all the bills of this class we may pass. Major problems facing agriculture should first be correctly solved. There are two theories advanced for corrective legislation on the farm-tenant problem, and each was forcefully presented by its proponents who appeared before the Committee on Agriculture. The one pressed hardest was the plan by which the Government would buy tracts of land in tenant sections and resell farms to selected tenants. The original idea was to invest \$100,000,000 a year for 10 years, or a total of \$1,000,000,000 to be provided by the Government for the solution of this minor problem. This parallels the Russian system, making the Government a superlandlord. It would have been a great help to those who have found themselves in possession of enormous holdings of land of little value. I doubt if it would have helped the small farmer. This plan contemplated the supervision of the tenants from the fountain of all wisdom on agriculture, namely, Washington, D. C. Had regulations been adopted similar to those used in Resettlement, the tenant would have been obliged to secure approval from the National Capital for every improvement planned and for each building that he wished to construct. These plans were based on the assumption that Government would supply, as leaders or preceptors, men of perfect judgment and wide practical knowledge. My observation leads me to suggest that men and women engaged in advising others should first qualify themselves by successfully operating under similar conditions.

One idea discussed at great length, incorporated in some of the prints of the bill, was that the tenant should not be allowed to sell the land once he entered the "service" and made payments thereon, until many years had passed. Those who proposed this kind of treatment acted upon the theory that tenantry had been brought about by the carelessness of the tenants; that they had not kept their land, had wasted it and what it had produced. The facts are that tenantry has grown, and will continue to grow, from causes that cannot be corrected by the tenant.

THE PRESENT TENANT BILL

A substitute bill was offered providing for a Government loan fund for those who wanted to buy land and become landlords. This bill, now pending before this House, is a compromise bill and provides that \$10,000,000 for the first year may be loaned under certain conditions to tenants selected by the Department of Agriculture which is given the unrestricted right to acquire the lands for the experiment. The second year \$25,000,000 to be devoted to such expenditures, and the third year fifty millions. There are about 3,200 counties in the United States; it is safe to say that portions of this money will be desired by nearly 3,000 counties. This would provide one farm of \$3,000 in value for some one lucky tenant who wants to become a landowner in each of the 3,000 counties, provided the money is equitably distributed. It is like trying to dip up the ocean with a bucket; it will not make even an impression. It will be difficult to administer such an act impartially and to the satisfaction of the poor farmers. Next year there will be \$25,000,000 to spend, that will be two and one-half farms in each county, and the third year it will be five farms to a county at a valuation of \$3,000. The facts of the case are, that in most of the Pacific Northwest and much of the North, not very much of a farm can be purchased for \$3,000. Still I believe that it is best to pass the bill and stop the clamor for this type of legislation.

OBJECTIONS TO THE BILLS

I am free to admit that I opposed the first bills for the Government's purchasing tracts of land, and then trying to

fit the tenants into the picture. I think that was the height of folly, especially for the West. I have no accusations to make and no time to state the fears expressed to me, but how easy it would be for certain people or companies owning tracts of land to make the proper showing to certain officials, and to secure from them the sale of their lands to the Government. How easily the worn-out, valueless, heavily eroded land could be sold to the Government for real money and then unloaded on a poor tenant compelled to assume the burden for repaying his "paternal" Government. The poor fellow might be bilked by the very Government that was pretending to help him. There might have been very great danger of fraud or charges and suspicion contaminating every movement of such a plan for solving the tenant problem. I am glad that system was not adopted.

I dreaded such results more than I feared the situation pictured by our colleague from Iowa, and others, that the farm tenant, after buying a place with Government help, would sell the land when he could make a few dollars. We ought not to prevent the tenant, who has struggled through years without any margin of profit, from realizing a little profit of his own. I, for one, would not blame him when he can have \$1,000 in the clear, or whatever he may think sufficient, if he should sell his farm to another. I see no harm in allowing the farmer to be a free agent.

FARM PRICES MUST BE STABILIZED

The real difficulty of the whole agricultural situation will not be even remotely affected by the passage and enforcement of this bill. Among the farmers' serious problems I would list first the uncertainty of price for his products. When he plants a field of corn or an acre of wheat the farmer has to take all chances on weather conditions that may ruin the crop at any time from planting to harvest; and then, when the product is ready for the markets, he is obliged to sell it in competition with the same product from all the leading countries of the world. Especially is this true of wheat. Somebody has said the farmer is a gambler; indeed, I know of no one who takes bigger chances than the wheat farmer, with smaller opportunity to make a winning. I can see no solution for the future except some sort of fixed and guaranteed price. I do not know that the country is ready for it; I do not know that it could be enforced even if we enacted it into law; but certainly from ocean to ocean and in every meeting of groups where farmers' problems are discussed, the question of a reasonable price for leading agricultural products should be under discussion. The 12 weeks spent on the farm-tenant bill, I think, could have been better devoted to consideration of the problem of prices on leading farm products than so many hours spent attempting to get the Government into the real-estate business by purchasing large tracts for the purpose of settling tenants thereon.

SPECULATION IS THE MAJOR FARM PROBLEM

The ever-normal granary is not an idle dream; it is a suggestion worthy of the most careful study. There should be held in this country, at all times, sufficient products, like wheat, to carry us over any reasonable period of crop failure. Wheat, corn, rice, and other products of this nature lend themselves easily to storage and can be carried over from year to year for a reasonable length of time. The plan would aid materially in wiping out the agricultural depressions and levelling down the high spots. When the farmers of the Pacific Northwest harvested their crop in the fall of 1936, all creditors immediately commenced to push hard for their money. Wheat at that time was about 60 cents a bushel at local stations. Many of the farmers, perhaps most of them, were obliged to sell. Wheat later in the fall and early winter went up above the dollar mark at the local stations. That rise of 40 to 50 cents did many of the producers no good—it was money made by the speculators, the warehouse men, who had been able to buy of the distressed farmer and hold for the higher prices. For several weeks, now, in the leading markets of the United States, the price has ranged around \$1.10 to \$1.30 a bushel, bringing to the farmer something like 85 cents to a dollar. Should the full crop mature, as we now have in prospect, again there will be a depression in prices, unless some unforeseen event occurs.

Many of the farmers will be obliged to market their crop at 75 or 80 cents a bushel, which will leave very small margin of profit, if any. That leads me to the conclusion that there must be some legislation wiping out the speculation in grains. During the years of the World War I was a large producer of wheat in Oregon. We had a set, firm market in Chicago at that time, for the gamblers were not buying or selling. They were not allowed to operate under the law. I took chances when I planted my wheat on the quantity of the crop, but I knew the price I was going to get for it when it was ready for the market. Those were the 3 most happy years of my life in the farming industry. The Government had fixed the price at cost with a reasonable margin of profit. Ever since I have wondered why if such laws can be passed and enforced in times of war they will not serve in times of peace? Speculation in farm products is the first and major farm problem.

TAXES THE SECOND PROBLEM

Another problem, and one that seems to grow worse with the years, is that of taxes, which are just the same whether the farmer has a good year or a bad one, whether prices are high or low. The farmer's possessions out in plain sight are tangible and the assessor has no difficulty in finding them. He can see livestock and land and all the machinery that the farmer has. The assessor fixes the value, and the farmer pays on a higher percentage of value than any other taxpayer. All government activities grow more expensive year by year. The merchant must ask a little more for his goods that the farmer has to buy because he, too, pays more taxes. Farmers' mowers, reapers, or binders cost more because that merchant has to pay the extra charges. In other words, the extra high taxes in city, county, State and Nation are passed on to the man who cannot pass them on—the farmer. He goes ahead and does not and cannot question the price of anything, neither that which he buys nor what he sells. An investigation of the trusts which make farm machinery has been too long delayed. Why does Government permit these prices to soar?

Recently I made a study of the cost of electricity to consumers, comparing Portland and Tacoma. I ascertained that the city of Portland pays about \$5,000,000 a year more than it would pay if it had a publicly owned plant operated like that in Tacoma. Those \$5,000,000 are paid by the citizens and businessmen of Portland. The merchants of Portland collect them from their customers, some of whom are the farmers, who pay much of that \$5,000,000 in increased costs of what they buy, and lowered prices of what they sell.

Several years ago, when Governor of the State, I started a campaign to remove all State taxes from real estate by substituting income and other taxes; I met with many difficulties. I am delighted to note that now, some 15 years later, the goal toward which I struggled in the years gone by has been reached and Oregon levies no taxes upon real property for the maintenance of State government. Real property should pay a reasonable tax, but much of the expense of city and county governments should come from sources other than real estate.

INTEREST RATES ANOTHER PROBLEM

Another ever-present problem on a farm is interest. I have spoken so often in the last 5 years on the floor of this House on the subject of interest rates, that probably there is nothing new to be added. I do desire again to emphasize my belief that interest, unconscionably high interest, is largely the cause of our difficulties today. Our capitalistic system, which has developed such a useful, valuable, pleasant civilization, is based on interest higher than the increase of wealth. It is such a cancerous, deep-seated growth that the only way the present capitalistic civilization can survive is occasional periods of depression in which large amounts of capitalization are wiped out by repudiation and compositions. Business starts up again and goes on until interest has once more brought its evil results, and another depression follows. In other words, the depression cycle seems to be a part of the economic system, for when obligations draw interest beyond the increase of wealth it is only a question

of time until those obligations become so oppressive and the annual contribution for interest each year is so large that it cannot be paid. The farmer, being the ultimate consumer and in a business requiring borrowed money, is in a position to bear the brunt. He takes the heavy load resulting from these interest charges above and beyond the increase of wealth. No interest beyond the increase of wealth should be charged or collected on long-time obligations. The one who contributes only his money and demands 100-percent security and takes none of the risks of the business should justly receive only the amount that would approximate the increase of wealth which is usually calculated at about 2 percent a year.

I deeply regret the refusal of this administration to assist in holding the reduction of interest in the Federal land bank to 3½ percent for another year. I realize the fact that the Federal land bank has several millions in outstanding bonds which are drawing 4 percent and more interest, and most of these bonds are not yet callable. The farmers of today ought not to pay for the governmental mistakes of yesterday.

I cannot see now, and never could see, any justification in requiring the borrower to invest 5 percent of the amount of his loan in stock in the loaning association. The same exaction is made from the producer who is obliged to borrow through the Crop Production Association. I never have been able to obtain figures from the Farm Credit Administration as to what portion of that 5 percent exacted from borrowers is lost through bad loans, but my observation is that the loss of this stock is 100 percent to many borrowers. This is not the fault of the farmer but of the method. The result is that many who borrow money on land from the Federal Government at 4 percent pay more than 5 percent for that money. Those who object to the reduced interest rate never mention the 5-percent forced investment.

I know the Farm Credit Administration constantly issues newspaper releases showing the large amounts of money loaned farmers through various governmental agencies. I have no way of comparing these figures with the amounts lent by all agencies prior to 1929. I daresay, if figures could be secured, it would be found that the amount lent through the Production Credit Corporation and the Farm Credit Administration is only a small percentage of the amounts loaned to farmers by banks, insurance companies, and private individuals prior to the catastrophe of 1929. The Government, through its lending agencies, has made rules so stringent, and the demand for securities so severe, that many who would like to secure farm loans have been unable to do so. Many a farmer who would like to negotiate a loan through the Crop Production Association is unable to get it because he cannot meet the severe conditions exacted by the Government. I believe the Government should use every force and power available to keep farm interest rates down, and there are plenty of powers available if they were used. So I name that as another real farm problem which is not even seriously considered at this time, and through this bill.

TRANSPORTATION COSTS A PROBLEM

Transportation is another ever-present problem to the average farmer. The wheat regions of the West are subject to an excessively high toll from transportation lines which move the wheat from local warehouses to mills and water terminals. When the World War was on, freight rates were on an average of about 50 percent less than they are today. Formerly, before the war, I could ship a bushel of wheat from my ranch to tidewater for 9 cents. Those rates have been advanced at different times until today it costs over 15 cents a bushel.

The Interstate Commerce Commission is supposed equitably to adjust transportation rates. They seem to be convinced that their chief duty is to recognize a rate schedule sufficiently high to earn money to pay interest and dividends upon inflated valuations. It has been estimated that if the water could be squeezed out of the stock and bonds of the transportation lines, freight rates could be reduced by one-third.

REAL FARM LEGISLATION NEEDED

I have set forth briefly what seem to me to be the real farm problems. I have done this to explain why I think the pending bill will be of very little value. Those few who receive the preferential benefits will have to struggle along under the same handicaps now making farming difficult and hazardous.

I sincerely hope some farm legislation of real value and widespread benefit can be offered this body. When this bill passes and becomes a law, I hope that the result will be beneficial. I would be sorry indeed to learn that this is offered and pressed for passage to still the demand for real farm legislation. This act cannot justly be called the "Farm Security Act of 1937." That is a misnomer. The act covers only a very small portion of a broad field. Farm security legislation has not yet come before this session. [Applause.]

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. KINZER].

Mr. KINZER. Mr. Chairman, I do not believe much argument is needed to impress the membership not only with the desirability but the necessity for making some approach to the problem here presented.

I am in entire agreement with the gentleman from Nebraska [Mr. COFFEE] when he expressed his judgment with respect to the provision of the bill providing for the lending of Government money up to the full value of the land purchased by the tenant farmer, who is the man sought to be benefited. I have always thought that when you lent the full price, it was not a loan any more, but a sale, and if we are to follow the suggestion laid down by the Speaker, as well as the gentleman from New York [Mr. WADSWORTH], we must realize there is an element of thrift, as well as one of ability, to be considered by the local committee, and I do not think it is wise for us to incorporate in the bill a provision to lend up to the full value, although the local committee may approve a loan for less than the value. If the desirable tenants have a will to accomplish something and to purchase a farm, they should have some part of the fund which is intended to be used, and, following the example of Denmark, 90 percent would be the limit of the loan.

As I have said, I am in entire accord with the suggestion of the gentleman from Nebraska [Mr. COFFEE], and I think an amendment limiting such a loan to 90 percent of the purchase price is a good one.

I believe it is absolutely necessary for the Government to make a start and to grant some assistance, although with the amount of \$10,000,000, when divided and spread over the entire Nation, will be very small for the first year. However, a beginning can be made, and, while this amount may not buy many farms throughout the country, it will be a start and provide an experiment which will be helpful in approaching a wise solution of the farm-tenant problem. [Applause.]

Mr. DOXEY. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, on September 21, 1936, the President addressed a letter to Senator BANKHEAD, of Alabama, suggesting preparation of plans to meet the farm-tenant problem, and in the letter stated:

Thoughtful people everywhere have been gravely concerned with the steady increase in farm tenancy from 1880 to 1935. Since the earliest days of their history it has been an ideal of the American people that every American should have an ownership interest in land or in some other means of production.

Despite this fundamental objective, we have seen farm tenancy increase relative to farm ownership decade by decade. An enduring agricultural civilization must be built on the firm foundation of home and farm ownership.

Any long-time improvement of the welfare of the Nation and of farm people involves improvement of the tenancy situation.

The tenancy problem in the United States cannot be solved overnight. But through Government financing of land purchased by tenants, other countries, notably Ireland and Denmark, have substantially increased farmer ownership of farm land.

I think we need some such approach. It should give tenants who have demonstrated their ability to manage land an opportunity to buy farms on long-time terms at moderate interest rates.

On October 10, 1936, the President, in a speech delivered in Omaha, Nebr., said:

It is a further part of our long-time farm policy to attack the evil of farm tenancy. In this we have already made a good beginning with lower interest rates and better prices. We are preparing legislation, in cooperation with farm leaders, to submit to the Congress in January to help solve this problem. We cannot, as a Nation, be content until we have reached the ultimate objective of every farm family owning its own land.

After the election, on January 6, 1937, the President delivered before a joint session of the two Houses of Congress his annual message, in which he stated:

There are far-reaching problems still with us for which democracy must find solutions if it is to consider itself successful.

And further said:

For example, many millions of Americans still live in habitations which not only fail to provide the physical benefits of modern civilization but breed disease and impair the health of future generations. The menace exists not only in the slum areas of the very large cities, but in many smaller cities as well. It exists on tens of thousands of farms, in varying degrees, in every part of the country.

Another example is the prevalence of an un-American type of tenant farming. I do not suggest that every farm family has the capacity to earn a satisfactory living on its own farm. But many thousands of tenant farmers—indeed most of them—with some financial assistance and with some advice and training, can be made self-supporting on land which can eventually belong to them. The Nation would be wise to offer them that chance instead of permitting them to go along as they do now, year after year, with neither future security as tenants nor hope of ownership of their homes nor expectation of bettering the lot of their children.

The figures in the 1935 census of agriculture show that there are approximately 2,865,000 tenant farmers in the United States. These are farmers who rent all of the land they operate. They represent more than 42 percent of all the farmers in the country. In addition to these 2,865,000 tenants, we have about 689,000 part owners. These part owners are farmers who own part of the land they operate and rent part of it. They represent 10 percent of all our farmers. Hence, we are faced with the fact that 52 percent—more than half—of all the farmers in the United States rent all or part of the land they farm. An additional 1 percent of our farmers are hired managers. Consequently, only 47 percent of the 6,812,000 farmers, enumerated by the census of 1935, own all of their land.

Realizing the magnitude of the problem, the President appointed a special committee headed by the Secretary of Agriculture and composed of farm leaders, experts, and other distinguished citizens, and directed the committee to make a careful study of the problem to the end that certain recommendations for action might be made. Upon completing its investigation and study the committee filed its report and recommended the enactment of legislation at the present session of Congress. Early in this session H. R. 8 was introduced by the distinguished chairman of the House Committee on Agriculture and was referred to and received the attention of that committee. Extensive hearings were held and many officials, experts, farm leaders, interested citizens, and groups of citizens were heard, and the committee had the benefit of the findings of the committee appointed by the President. Several members of the committee appeared and gave us the benefit of their opinion as to the kind of measure which should be enacted.

In the Seventy-fourth Congress the House Committee on Agriculture held hearings on two bills, H. R. 7018 and S. 2367, but no action was taken at that time. The bill now under consideration is the outgrowth of these long and extensive hearings. I am sure, therefore, that the members of the Committee on Agriculture who have sat through these extensive hearings and protracted executive sessions are impressed with the profound importance of the basic and fundamental problem involved and of the absolute necessity for its ultimate solution.

This bill seeks to deal with a grave social and vitally important economic problem which is national in its scope. I am not afraid that the membership of this House will underrate the importance of the problem with which we are now dealing. I am not afraid that we will forget those in

the rural areas of our country who are not able to scratch out even a bare existence on small and infertile farms and in areas which have been devastated by floods and drought and erosion; those on the hillsides and on the ragged edge of swamp lands far from the stream of commerce and the eyes of the world. I am not afraid that amid the conflicts and bewilderments of the world in which we live that the Democratic Party and its leadership will forget the destitution and poverty of those who are helpless to help themselves in the rural sections of this great country, but, on the other hand, I believe that it will reach out the strong arm of this Government to lift them from their submerged insecurity and dire destitution and take them from submarginal lands and aid them in reaching the goal of every true American farmer—that of obtaining and owning a farm home upon which he and his family may earn a livelihood and enjoy some of the blessings of modern life. This administration possesses the power and the capacity for sensible decision and quick action. While we may not hope for an immediate solution of the problem with which we are now dealing, at least, we must take this step to bring help and hope to those who have in the past been forgotten.

While the amount herein authorized to be appropriated is wholly inadequate, it will at least eliminate in some degree the poverty and economic insecurity of a vital part of our population.

I am sure that no one would suggest that this is a solution of the problem which today faces these destitute rural people, yet at the same time it is an important part of a well-rounded program for agriculture. It will do much through the years to retard the growth of tenancy and to relieve a situation which has been accentuated by an economic collapse. I realize that even a gift of fertile farm land will not in itself mean security. We must in addition stabilize farm income and protect our farmers from wild speculations and extreme fluctuations in commodity prices and land values if we are to find an adequate answer to this pressing problem. The evils of farm tenancy are a national disgrace and land speculation and price fluctuation are the greatest foes of farm ownership. We have in the past few years had at least some degree of stability in commodity prices and land values and now in a modest way we are seeking to lessen the evils of farm tenancy and to improve our system of land tenure.

As a remedy for the present ills this bill is, of course, wholly inadequate and insufficient. For this reason I preferred certain provisions which were stricken from the original bill but as most legislation is the result of compromise I shall gladly support the measure as reported by the committee in the hope that some progress may be made and some security may be brought to those who will receive the benefits of the provisions of this measure. Even though we may not help many, we will at least give a ray of hope to those who are now helpless.

In order to impress upon you the importance of the problem, may I call attention to the fact that 2,865,155 farms were operated by tenants in 1935, and to the fact that between 1925 and 1935 tenancy has increased 40,255 annually, and during the years of 1930-35 increase has been at the rate of 40,158 annually? To further impress upon you the magnitude of the problem, if we assume that \$4,000 per tenant farmer is to be invested, it would require, at the rate of increase during the past 5 years, an appropriation of \$160,632,000 per year merely to take care of the increased number of tenants, to say nothing of the 2,865,155 other tenants in the country. Even if we could stop the increase and appropriate the sum of \$50,000,000 annually to reduce the number of tenant farmers already in existence, spending \$4,000 on each tenant farmer, it would require 230 years to eliminate tenancy in the United States. It is, therefore, plain to see that this is a problem of stupendous proportion and is one which will not be solved in this generation, yet all fair-minded men will agree that we should do something to help those who are most worthy in this great group of our citizens. We should adopt a long-time program, a practical

program, which will make the tenants' climb to ownership easier and their security more certain.

Many of these tenants have once known and enjoyed the pride of ownership but, due to no fault of their own, were forced to fall back into tenancy. If our system is improved and agriculture is made profitable, these men and women will again take their proper places in American life. We must, therefore, improve and perfect the system under which they are to labor and give them another chance to prove their real worth. We must expand our foreign trade and develop our domestic markets, and give to those who labor in the field a degree of security yet unknown. This must be done if we are to check the growth of tenancy and save those who are now fighting to hold onto their farm homes. Many of our landlords are now only tenants, mortgagors in possession, working for those who hold encumbrances upon their farms. The plight of the American farmer is a challenge to our statesmanship. When our great President pointed out that one-third of our population is ill-clothed, ill-fed, and ill-housed, surely he had in mind that large group of our citizens who are poverty-stricken upon the farms of our Nation. In May 1935 approximately 1,000,000 rural families were on relief. If we assume that there are 5 in the average family, we have the spectacle of 5,000,000 people from the farms of America forced to accept public charity.

Even if we go back to 1929 there were about 398,000 farm families in this country which had a total gross income of less than \$250 for a year. This included the products which they sold, traded, and consumed, their meat and bread, fruit and vegetables, and all that they had to eat. If we assume that the average size of the family was 5 people, we had 1,990,000 people, each one of whom had a gross income for the year of \$50, or less than 8 cents a day. Of course, many of these farm families are twice as large as the figure used and, therefore, the income of many individuals would be less.

Census figures show 916,000 farm families with a total gross income of less than \$400. Assuming that they are families of 5 people, this means \$80 annually for each person in the family, or \$40 annually for members of families of 10, and this is not unusual in many sections of the South.

Even in 1929 about 47 percent of all our farmers had an annual gross income, including the value of products grown and consumed on the farm, of less than \$1,000. These figures include both landlords and tenants. Is this the true picture of real American life? Is it the American standard of living? But, you say, this bill will not bring about the stabilization of an adequate farm income or remedy the ills of which I complain. No, but it is an important step which must be taken without delay.

I realize that there are some who will say that this is a continuation of the Resettlement Administration. I know that some will say that the Resettlement Administration has spent huge sums of money, much of which has been wasted. While I hold no brief for the Resettlement Administration, its extravagance and its waste, I am unwilling to condemn its high objectives merely because those who first embarked upon the program were ill-advised and are guilty of faults and failures and follies upon which I am not willing to place my stamp of approval. The Resettlement Administration undertook many foolish, unsound, and extravagant projects, but even so I am unwilling to repudiate it or the man who issued the Executive order which brought it into existence. I am willing, therefore, and anxious to vote for this bill which authorizes the completion of the Resettlement projects which have been undertaken, to the end that that which has been invested may not be totally lost.

I know that there are those present who would like to see this bill defeated so that they could go to the country next spring with the cry that this Congress had repudiated the emergency program set up by the President for the rehabilitation of agriculture and the resettlement of some of our poverty-stricken farm people. I cannot, in the brief space of time allotted, discuss that which has been done by the

rural-rehabilitation section of the Resettlement Administration in bringing relief to poverty-stricken farmers, nor can I discuss the fine service which its Land Utilization Division has rendered in reclaiming submarginal land and correcting maladjustments in land use and in making farming more profitable. Even though the Resettlement Administration has made many mistakes, let us not burn down the house to get rid of the rats, but rather let us profit by the mistakes which have been made and go forward with a broadside attack upon the problem of rural slum clearance.

The bill which we are now considering, H. R. 7562, is a bill to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes. The bill authorizes the Secretary of Agriculture to establish in the Department of Agriculture a Farm Security Administration to assist him in the exercise of the powers and duties conferred by this act. The act authorizes an appropriation of not to exceed \$10,000,000 for the first fiscal year ending June 30, 1938, not to exceed \$25,000,000 for the fiscal year ending June 30, 1939, not to exceed \$50,000,000 for the fiscal year ending June 30, 1940, to be administered by the Secretary through the Farm Security Administration in making loans to farm tenants, farm laborers, sharecroppers, and other individuals who obtain or who recently obtained the major portion of their income from farming operations for the purpose of purchasing efficient farm management units sufficient to enable a diligent farm family to carry on successful farming which the Secretary deems can be successfully carried on in the locality in which the farm is situated.

Realizing the wisdom of decentralizing the functions of Federal agencies, the bill provides further for the establishment of county committees which shall be charged with the duty and responsibility of receiving applications of persons desiring to finance the acquisition of farms by means of a loan from the Secretary under the provisions of this bill and with the duty and responsibility of examining and appraising the farm or farms which are to be purchased, and in general to pass upon the eligibility of the applicant, the character of the farm to be purchased, and the amount which the committee finds is a reasonable value of the property to be bought.

The Secretary is authorized to loan the full, fair, and reasonable value of the farm for an agreed period of not more than 30 years at a loan rate of 3 percent per annum and to make certain other provisions for the protection of the security which will require insurance, maintenance, and repair and prevent waste and exhaustion of the farm property and its fertility. The amount so appropriated shall be distributed equitably among the several States and Territories on the basis of farm population and the prevalence of tenancy.

REHABILITATION LOANS

Under title II of the bill the Secretary is authorized to make loans to eligible individuals for the purchase of livestock, farming equipment, supplies, and other farm needs, and for the refinancing of indebtedness and family subsistence. These loans are to be made at the rate of 3 percent per annum and shall have maturities not in excess of 5 years and shall be secured by a chattel mortgage, crop liens, and the assignment of proceeds from the sale of agricultural products.

No definite amount is authorized to be appropriated for this purpose other than unexpended balances available to the Secretary for loans and relief to farmers and such other sums as the President is authorized to allot to the Secretary out of appropriations for relief or work relief.

The Secretary is further authorized to assist in the voluntary adjustment of indebtedness between farm debtors and their creditors. Under the farm debt adjustment program which has been undertaken by this administration the farmers of the Nation have been saved millions of dollars.

RETIREMENT OF SUBMARGINAL LAND

Title III authorizes and directs the Secretary to develop a program of land conservation and land utilization including the retirement of lands which are submarginal or not primarily suitable for cultivation and charges him with the responsibility of improving, developing, and administering the property so acquired and authorizes him to sell, exchange, lease, or otherwise dispose of any such property upon such terms and conditions as he deems will best accomplish the purpose of the title.

Title III further directs the Secretary to pay to the county in which the land is held by the Secretary under this title, 25 percent of the net revenues received by the Secretary from the land during such year. This is a payment in lieu of taxes. The payment so made shall be made upon the condition that it is used for school or road purposes.

For the purposes mentioned in title III there is authorized to be appropriated not to exceed \$10,000,000 for the fiscal year ending June 30, 1938, and not to exceed \$20,000,000 for each two fiscal years thereafter.

GENERAL PROVISIONS

Title IV provides for the establishment of the Farm Security Administration, the appointment of personnel, and general provisions with reference to the administration of the act, including local committees to be composed of three farmers residing in the county.

Title IV further authorizes the Secretary to continue the activities of the Resettlement Administration to the extent that may be necessary only for the completion and the administration of those resettlement projects, rural-rehabilitation projects for resettlement purposes and land development, and land utilization projects for which funds have been allotted by the President.

I desire to remind our Republican brethren of the fact that the Republican platform adopted in 1936 has this to say with reference to agriculture and with reference to the farm problem now under consideration:

The farm problem is an economic and social, not a partisan, problem, and we propose to treat it accordingly.

Again I quote from the Republican platform:

We propose—

A national land-use program, including the acquisition of abandoned and nonproductive farm land by voluntary sale or lease, subject to approval of the legislative and executive branches of the States concerned, and the devotion of such land to appropriate public use, such as watershed protection and flood prevention, reforestation, recreation and conservation of wildlife.

To provide for ample farm credit at rates as low as those enjoyed by other industries, including commodity and livestock loans, and preference in land loans to the farmer acquiring or refinancing a farm as a home.

In this connection I desire also to call attention to the Democratic platform of 1936 in which we find this language:

We recognize the gravity of the evils of farm tenancy, and we pledge the full cooperation of the Government in the refinancing of farm indebtedness at the lowest possible rates of interest and over a long term of years.

Our hills and valleys and fertile lands are laden with gifts quite beyond the comprehension of man. While it is true we have extended our geographical frontiers until now the stream of commerce flows into even the remotest sections of our great and common country, yet we are now face to face with a problem of further extending the social and economic frontiers of modern American life. Here is a problem and here is a field of human endeavor wherein the tingling thrill and all the tremor and throb of eager and earnest emotions can be used to the greatest and grandest advantage. While it is true that America stands out today as the greatest force in world progress, when we think of the problem of farm tenancy we must be conscious of a great lack of full and complete accomplishment. In passing this bill we are embracing a fundamental problem of first magnitude and stupendous proportions, yet it is a problem which Americans will and must some day solve.

Mr. DOXEY. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. LUCAS].

Mr. LUCAS. Mr. Chairman, regardless of how much money might be appropriated by the Federal Government for the purpose of curing the evil of farm tenancy, I undertake to say that under present economic conditions that such would be an impossible task. Until there is a stability of price of the basic commodities and until the farmer's dollar has a purchasing power on a parity with all other industry, we are attempting to do something which may aggravate rather than clarify the issue, as I see it. Nevertheless I am for this farm tenancy bill as it stands at the present time, and I sincerely hope that the membership of this House will stand firm and pass this bill as reported by the Committee on Agriculture. I trust that under no circumstances will we submit to the terms and conditions of a bill which is proposed at the other end of the Capitol. Our committee studied the provisions of H. R. 8 for many weeks, which is in substance what is reported out by the Senate at the present time. Extensive hearings were held upon that bill, the result being that a majority of the committee favored the principles endorsed in the legislation before you. There are many problems in the Senate bill which are difficult of administration and should not be embodied in any bill which is designed in the first instance as an experiment to meet a national condition. I call attention to what seems to me glaring defects and not in keeping with the spirit of American institutions.

First. The restriction of alienation is unknown in America. It is common in European countries where dictators and monarchies prevail. I undertake to say that any time a man has the money to pay for his farm he ought to be able to get a deed for that farm and not wait for a period of 20 or 40 years, as originally proposed. The gentleman from Iowa [Mr. BIERMANN] seeks to enforce this restriction and bases his argument on the fact that speculation in land will be restrained. If you want to keep the question of speculation out of the picture, why penalize the owner of one of these Government-loaned farms and permit the man next door who owns land to make a profit when there is a speculative boom in the country?

Pass the windfall tax which affects all land alike, as was suggested by the President's committee, reporting to the House Committee on Agriculture when we held our hearings.

Second. If you pass the Senate bill the Government will control the lease of every farm in every community in America. In other words, the remaining tenants in that community are going to compel the landlords to go along with Uncle Sam, who will be the greatest landlord in America in time to come. Every lease in the country will be centered around the leases which are being promulgated by the Government. If a landlord cannot compete with Uncle Sam he will be forced as a matter of self preservation to sell his land, and the Government will be the ultimate purchaser.

Third. On the question of taxes, the Senate bill provides among other things the following:

"Real property, other than real property to which subsection (a) applies, acquired, held, or leased by the corporation under this title shall be exempt from taxation by any State, Territory, or political subdivision."

Mr. NELSON. From what bill is the gentleman reading?

Mr. LUCAS. I am reading from the Senate bill that has been reported out. In other words, if the Government acquires a farm it is exempt from taxation so long as the title remains in the Federal Government. Think of such a provision being incorporated in a bill. Think of the bitterness and the rancor that will be engendered in every community as a result of this unfair discrimination. If that bill comes here upon a conference report, and our conferees permit the Senate Members to have their way, gentlemen who vote for it may have their political future somewhat jeopardized, especially if the United States Government is permitted to have its lands exempted, and the farmer down

the road is compelled to pay the regular tax assessed by the assessor in that community.

Fourth. Death of the purchaser: Here we find plenty of problems from the standpoint of law, when one of these tenants dies, if the Senate bill becomes the law of the land. One of the best lawyers who came before our committee said he could not tell where the Federal jurisdiction started and where the State jurisdiction ended, or where the State jurisdiction began and the Federal jurisdiction ended. In that statement I concur. Whether the contract for a deed would be personal property or would be considered under the doctrine of equitable conversion is not clear.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HOPE. Mr. Chairman, I yield the gentleman from Illinois 2 additional minutes.

Mr. LUCAS. Another matter of importance in the Senate bill involves the question of double jeopardy. In other words, if the tenant be charged with arson for burning the barn on Government property, he not only can be prosecuted in a Federal court but he can also be prosecuted in the State court. If he is acquitted in the Federal court, they can bring him to the county where the barn is located and prosecute him again for the same offense, just like they used to do in the prohibition days.

In conclusion, Mr. Chairman, I boldly assert that any tenant in this country who is frugal, industrious, and thrifty, the type of tenant that the Government seeks to keep in the farm-tenancy program, will never go in partnership with Uncle Sam if he thoroughly understands the bill that has been reported out of the United States Senate today, providing it should be enacted into law. I undertake to say that if I had the opportunity of explaining that bill to the type of tenant worth while he never would sign a contract with Uncle Sam.

It is only the man whom we call the cove in the mountain, or the irresponsible tenant who never was worth anything to himself or to his community or to anyone else, who will take hold of a contract of that kind and attempt to carry on in behalf of himself and the Government.

Mr. Chairman, the buying of land by the Government and the resale thereof to tenants is the beginning of a dangerous philosophy of Government ownership of land. It is estimated that within 40 years the Government would have under their control or jurisdiction a million tenants. The next step will be to take them all in as they do under the powers of a dictatorship. I trust the time may never come when such may happen, but if the Senate bill should be agreed to, I can see the beginning of the end of independent and free ownership of lands in this Republic.

Mr. LANZETTA. Mr. Chairman, in connection with the bill, H. R. 7562, I ask unanimous consent to include a letter from the Secretary of the Interior to the chairman of the Committee on Agriculture [Mr. JONES] together with some tables showing purchases made by Puerto Rico from the United States.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

The matter referred to is as follows:

THE SECRETARY OF THE INTERIOR,
Washington, D. C.

HON. MARVIN JONES,
Chairman, Committee on Agriculture,
House of Representatives.

MY DEAR MR. JONES: My attention has been called to the fact that H. R. 7562, a bill for the Farm Security Act of 1937, introduced in the House on June 17, 1937, as a substitute for H. R. 6240, was reported out on June 18, 1937, and referred to the Committee of the Whole House; and that this bill, in its present form, does not extend to Puerto Rico, although it does extend to Hawaii and Alaska, and although the Senate bill, S. 106, the companion bill to the original bill, H. R. 8, for which 6240 was substituted, as reported to the Senate and now pending there, does extend to Puerto Rico.

Puerto Rico with a population now estimated at 1,800,000 is, in population, by far the greatest of the organized Territories whose people are citizens of the United States. It is greatest in amount of purchases from the mainland as well as in population. It

purchased \$86,352,000 worth of goods from the mainland in 1936, largely farm products. Its purchases were greater than those of any other area in the Western Hemisphere except Canada, and were greater than those of any country in the world, outside of Canada, except Great Britain, France, Germany, and Japan. Since 1931 Puerto Rico has risen from the tenth among world customers of the mainland United States to sixth place, increasing her purchases during that period from \$60,637,000 in 1931 to \$86,352,000 in 1936. She buys from the mainland nearly everything she consumes.

Puerto Rico is almost wholly agricultural, and because of her dense population it is peculiarly necessary that her land be utilized as fully and advantageously as possible. With a total acreage of about 2,240,000 acres, it is estimated that only about 1,220,000 acres are now under cultivation, which gives only about seven-tenths of an acre per person for the total 1,800,000 people in the island. Perhaps 500,000 acres more can be made available. After the disastrous hurricanes of 1928 and 1932 many small farmers, particularly coffee farmers on the hillsides, abandoned their lands and drifted to San Juan and the others of the larger cities of the island, accentuating slum conditions there and adding to the social problems. Their former lands rapidly go back to jungle or are exposed to erosion. It is imperatively necessary that aid be extended to such small farmers, to reinstate them on the land, to save the lands, and to ameliorate social conditions in the island's cities. The loans and credits contemplated by titles I and II of H. R. 7562 could well be utilized and would be of great help for these purposes. There are also some submarginal lands which should be utilized and developed under a program such as that contemplated in title III of this bill. Tropical products, such as vanilla beans, quinine, bamboo, and other tropical plants, as well as coffee, can be grown on these lands, products of a kind well designed to check erosion on the hillsides, and not to compete with mainland agricultural products.

Because of its dense population every social and governmental problem is accentuated in Puerto Rico. Here is a farm community with the density of a city suburban population. If Iowa were as densely populated as Puerto Rico it would have some 28,000,000 people. Texas would have around 130,000,000. This places a definite responsibility on the administration for the welfare of these American citizen farmers. Puerto Rico has not received more than its fair share of Government benefits during the period of the depression, in spite of the needs arising from this heavy population. Rather, it has received less, on a per-capita basis, indeed, less than one-half the average share of the States and Territories, as appears from the brief tabular statement hereto appended. Detailed figures are before your committee in the hearings on the sugar bill. (Hearings on H. R. 5326, present session, before special subcommittee, Mar. 15-22, 1937, serial B, pp 88-93 and 116.)

As was said in Secretary Ickes' letter to you of May 7, 1937: "Since the great fundamental principle of American democracy is the equal treatment of all citizens, there is no need to dwell upon the moral or practical necessity of avoiding economic discriminations against the citizens of the United States who may be residing in insular parts of our country."

It is earnestly requested, therefore, that a committee amendment to this bill, H. R. 7562, be accepted that will extend its provisions to Puerto Rico. That purpose could be accomplished by the following changes in the present bill:

In section 1 (a), in line 1 on page 2, strike out the word "and", the first word of the line, and insert a comma in lieu thereof, and insert in the same line after the word "Hawaii" the words "and Puerto Rico."

In section 50, in line 14 on page 17, strike out the word "and", following "Alaska" and insert a comma in lieu thereof, and strike out the period at the end of the line after the word "Hawaii" and insert "and Puerto Rico."

Sincerely yours,

(Signed) CHARLES WEST,
Acting Secretary of the Interior.

Puerto Rico:

Imports from United States mainland, 1936... \$86,352,000.00

Sixth best customer; exceeds any other in Western Hemisphere except Canada; exceeded only by Great Britain, Canada, Japan, France, and Germany.

Buys 92 percent of all its purchases from U. S. mainland.

Population about 1,800,000; area only about 2,200,000.

Benefits, all sources last 3 years, per capita....	26.51
Plus, from retained customs duties and taxes, per capita.....	6.46
Total benefits.....	32.97
Average benefits per capita all States and Territories, same years.....	68.41
Average benefits all other territories, same years.....	55.72

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. GEHRMANN].

Mr. GEHRMANN. Mr. Chairman, I really had not expected to get any time on this bill, but I am very, very much

interested in the problem. All my life I have operated a farm, and I am still operating it—at least, my family is operating it during my absence. That is the only way I had to make a living until I came to Congress, and now I spend the money I make here on the farm to pay for losses incurred. I am very much interested in this attempt to make a start at farm ownership. In Wisconsin a few years ago we had about 12 percent renters, and now it has crept up to nearly 40 percent. Certainly it was not through the fault of the majority of the farmers in that State. A majority of the farmers are either German or Scandinavian extraction, the type that certainly did not squander their money or who are shiftless farmers. They are the conservative, hard-working, up-to-date farmers, who have tried their best to make a living and who, through no fault of their own, have drifted into a condition where they are losing their farms by the thousands yearly that were operated for three or four generations by their people.

While this bill does not go nearly far enough, and the committee admits it does not go far enough, it is a step in the right direction.

We already have the Resettlement Administration with an office and personnel in every county looking after rehabilitation loans or grants. These local people in my State are for the most part very well acquainted with all the farmers that are in distress. They could pick out those worthy of consideration when applications are received, and drop those not worthy, without creating the expense of investigating each applicant. I believe that the Secretary of Agriculture should use the Resettlement county set-up.

The gentleman from New York [Mr. CULKIN] certainly hit the nail on the head when he said that the price-fixing monopolies have driven the farmers of the country, especially the dairy farmers, to their present plight. I know that this is true in other lines as well. The packers control the price of the animals they buy as well as the price of their finished products. The gentleman from New York stated that in the case of the dairy industry the price of cheese for the whole United States is fixed at Plymouth, Wis. This is true. It has gone to such an extent, the monopoly is so great, that in 1931 the Department of Agriculture, with the consent of the Governor, appointed a special committee consisting of three producers chosen by the farmers and the cheese producers, three men selected by the processors, the packers, and the large cheese buyers, and the State appointed the seventh member to represent the State as a whole. I happened to be the unfortunate victim that had to act as umpire between the producer that wanted all he could get and the buyer that wanted it as cheaply as possible. We met at Plymouth every Friday, that being the day on which the price of cheese is fixed—every Friday at 2 o'clock in the afternoon there is a sham auction, and the highest bidder sets the price of cheese for the United States. But there is very seldom more than one bid for a certain type of cheese. A few of the big buyers get together around a table for lunch and agree on who is going to bid on the cheese that is to be auctioned off to the highest bidder at 2 o'clock. There never was any competition unless they happened to have a batch of cheese they wanted to unload on some little fellow who was foolish enough to overbid them; but they have taught the little fellows a few lessons, so that very seldom anybody dares to bid.

The State of Wisconsin tried to break up that ring with the fair-price committee mentioned, but it was impossible. The committee studied the situation for 9 months. We found it was a problem for the Federal Government, not the States. In spite of the fact that Wisconsin at that time produced 74 percent of the cheese in the United States, we found we could not solve it, for they said they would simply move their offices over into another State if we tried to interfere with them or molest them at all. So I say that the gentleman from New York has put his finger on the pulse of the evil: The monopolies fix the price both to the producer and the consumer. I blame the farmers, of course, for not organizing, so as to control their own commodity, their investment, and their labor.

No other industry in the world today allows the price of the product, their money, their investment, their brains, their toil, to be fixed by others. Agriculture is the only industry that seems willing to produce, and then take whatever price somebody will offer for their goods. The farmers, because of lack of foresight to organize and control their own production, allow a monopoly such as the National Dairy Co., which is a holding company and controls every major dairy distributing agency in the United States, to fix the prices of their products.

The United States Attorney and the Federal Trades Commission should have taken steps long ago to dissolve this gigantic dairy trust that holds a strangle hold on the price of dairy products.

But the farmers should become better organized so that they may some day say, "It costs me so much to produce these products, and unless you pay me that price, you cannot have it." Yes, producer and consumer must eliminate these unnecessary middle men for the benefit of all concerned. [Applause.] [Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Chairman, some of the provisions of the pending bill may be good, but there are many with which I do not agree. I believe, with the gentleman from Nebraska [Mr. COFFEE], and the gentleman from Pennsylvania [Mr. KINZER], that the purchaser of a farm should have some financial interest in it and should provide some portion of the purchase money.

To my mind, we need more to purchase small tracts of 5 or 10 acres for the tenants. Many of them cannot operate a large farm but could a small one.

What I am most interested in and what I want to talk about in the brief time allotted to me is submarginal land that in volume of thousands and thousands of acres are being taken from the tax rolls of this country. Most of this land in my district is timber land. Twenty-five percent of the profit derived from these lands is returned to the counties where located, for highways and for schools, but there will be no income. The net result will be that the withdrawal of this land from the tax rolls will add just that much more to the burden of the farmers in the districts throughout my State, New York, and what applies in New York applies to all States. The State of New York buys land for reforestation at a cost of \$4 an acre. It is assessed for what it costs and pays the local rate of school and highway taxes; and I believe this bill should carry a similar provision, for just as soon as you take land out of taxation, take it off of the tax rolls, it adds a great deal more to the tax burden the remaining land must bear.

It is my intention to offer an amendment to correct this situation, and I hope it may have the support of this House. Some of this land the Government is buying costs as much as \$20 an acre. In some instances where there are wood-working factories, acid factories, and so forth, they are dismantling the factories, and tearing down dwellings, and this all goes off the tax rolls. It is planned to keep this land for years, I suppose, and let the timber continue to grow, but during all this time it will be out of taxation. It seems to me this creates an unfair situation, and I ask your support of the amendment I shall offer at the proper time.

Mr. Chairman, I yield back the balance of my time.

Mr. DOXEY. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. HOPE. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, my only purpose in using this brief allotment of time is to endeavor to call to the attention of the House three amendments which I intend to offer when this bill is reached for consideration under the 5-minute rule, and which I intend to ask unanimous consent to have printed in the RECORD in connection with my remarks. It is manifestly impossible to discuss any of these amendments in the brief time I have at my disposal.

Two of my amendments, construed together, have for their objective the removal of a condition provided in this bill

which I think you will agree with me ought to be corrected: This bill as it is drawn and as I construe it would subject the equity of the borrower who might secure money for the purpose of purchasing a farm to levy and sale under civil process for the payment of debts. The amendments to which I have made reference undertake to provide that for a period of 5 years the equity or interest which the borrower may have in the land purchased shall not be subject to levy and sale under civil process without the consent of the Secretary of Agriculture. There are other objectives sought to be achieved by the amendments, but that is the principal one.

I think you will agree with me where a man has become overburdened with debt, perhaps, and is given a new chance by reason of the extension of the benefits provided by this legislation, and enters upon a farm purchased for him by the Government of the United States and manages to make some payments thereon, as a result of which he acquires an equity in the farm, we should not permit him to be sold out within a year or two after his equitable interest may have been acquired under processes in favor of creditors whose debts may have been existing at the time when the farm was purchased for him by the Government. We ought to give him at least 5 years in which to straighten out his affairs and we should provide that during the 5 years any interest or equity he may acquire in the land shall not be subject to levy or sale under civil process.

I understand it is insisted by some members of the committee that that matter would be taken care of by the homestead laws of the various States. That unfortunately is not true so far as my own State is concerned and I am satisfied it is not true with regard to many of the States of the Union. In my State a debtor may waive his homestead rights by written instrument executed for that purpose, except as to \$300 worth of household and kitchen furniture, wearing apparel, and provisions; therefore, under the terms of this bill and under the laws of my State a sharecropper or tenant, perhaps heavily involved, who might be given the opportunity provided by this bill and allowed to purchase a farm, could be sold out as far as his interest or equity in the farm is concerned at any time after it may have been acquired to satisfy the claim of any creditor holding an obligation of that kind which he may have reduced to judgment. It would be true, of course, that if the instrument taken by the Government were a trust deed, the amount of the Government's debt would first have to be tendered or paid by the creditor, but the farm could nevertheless be sold out from under a borrower who might be in good faith meeting all of his obligations to the Government.

The amendment also prohibits the assignment of the interest of the sharecropper or tenant not for a period of 20 years, but for a period of 5 years after his acquisition of the property, except by consent of the Secretary of Agriculture. It does not go as far as the amendment which has been proposed by the gentleman from Iowa [Mr. BIERMANN]. It does, however, afford to the sharecropper or tenant who may have been accorded the opportunity to buy a farm at least 5 years' protection from land sharks or speculators who possibly might inveigle him into parting with the interest which he may have acquired.

Mr. Chairman, I invite the membership of the House to read the language of the amendments which I have not discussed in detail, as they will appear in today's RECORD. I sincerely trust that after you have done so and have given to the subject matter the consideration which I feel it deserves you may feel justified in supporting them.

The amendments which I have referred to are, as follows:

Line 16, page 3, after the word "committee", insert "or any person related to such member within the fourth degree of consanguinity or affinity."

Page 4, line 1, after the words "shall be secured by", strike out the remainder of line 1 and line 2 and insert "instruments vesting the legal title to the farm in the Secretary of Agriculture for the use and benefit of the United States as its interests may appear, and the acquisition of title to such farm or of rights and interest therein by the borrower shall be strictly in accordance with the terms of the instruments executed in connection with such loan."

Page 5, line 3, after the word "payable", strike out the period and insert a colon and the following proviso:

"Provided, That the borrower shall not for a period of 5 years after the loan is granted, nor at any time until 25 percent of the loan has been repaid, have an assignable interest in the farm, unless the Secretary agrees that such an interest shall vest in him, nor shall he have any equitable or other interest subject to levy and sale under process in favor of creditors under the laws of any State for such period of 5 years."

No Member of this House is more deeply interested in this proposed legislation than I am, or will work more consistently for its passage, whether my amendments are adopted or not. I shall simply offer them because I feel that they will improve the bill. My first amendment relates to the provision in section 2 (c) that no county committee shall certify for purchase and sale to a tenant any farm in which any member of the committee has any property interest. My amendment broadens this so as to exclude from consideration farms owned by close relatives of the committeemen, and without it a committeeman might have the Government take over for sale to a tenant or sharecropper a farm owned by the committeeman's wife, brother, father, or other near relative. The propriety of so amplifying this restriction is clearly apparent. No committeeman should be allowed to profiteer for himself or family in carrying out his duties under this program.

The two amendments—one in line 1, page 4, and the other in line 3, page 5—are necessary if any restriction is to be imposed upon the alienation of the sharecropper's or tenant's equity in the farm bought for him, either by his voluntary act or by sale under civil process. Under the bill as drawn, the title to the land is to vest in the borrower, who may secure his loan by executing a mortgage "or" deed of trust. If he executes only a mortgage, there can be no question of the right of judgment creditors to sell his equity for the satisfaction of their debts. If he executes a deed of trust, under the laws of my State, such creditors could have levy made upon the land after first paying or tendering the amount due the Government. With either instrument it does not appear possible for the Government to prevent voluntary sale by the borrower of his equity, and the only restriction sought to be applied to such procedure is the right of the Secretary in such an event to declare the balance of the loan immediately due and payable. This would not interfere with a transaction in which the purchaser of the borrower's equity might be able and willing to pay the balance due the Government, and thus secure complete title. The temptation of a borrower who had been hard pressed all of his life if he found himself in possession of a farm which had increased in value since the Government's loan was made to him, or in which by his own payments he had acquired a substantial equity, to sell out, take a few hundred dollars profit, and rejoin the tenant class, might be overwhelming in many instances. Since the purpose of this bill is to seek to bring about the eradication of tenancy, and have the men who work the farms own the farms, it certainly seems to me that provision ought to be made for at least 5 years against alienation of the borrower's equity, either voluntarily or involuntarily. This I do not understand that we can do unless the title is placed in the Government when the Government furnishes the money to buy the farm. If that is done, then the Government may fix by contract with the borrower such restrictions as to the character of interest which may vest in him, and when it may grow to be of a type subject to alienation, as it feels are proper. The amendment on page 5 will therefore not be offered unless the amendment on page 4, providing for the acquisition of title by the Government, is agreed to. If that amendment is agreed to, there can be no doubt as to the validity of the restrictions sought to be imposed by the amendment on page 5.

It will be noted that the amendment on page 5 does not preclude alienation, either voluntary or involuntary, if the consent of the Secretary can be secured. That will insure proper consideration of cases where under unusual circumstances it might be proper to permit such alienation.

I have long been interested in the problem of the tenant farmer. I have heretofore been heard many times in his

behalf on this floor, in connection with farm legislation of various types. In my judgment, he usually gets the hot end of the poker in legislation proposed for farm relief. I do not think this bill will solve his problem. It is, however, a bona-fide, conscientious effort to start toward solving it, and so far as I am concerned, I shall support such a step, although it may go only a little way. The solution of that problem is essential to the welfare of our entire country.

Statistics have been placed in the record showing the growth of farm tenancy and share cropping to a point where 52 percent of the farmers of the United States are farming lands which in whole or in part are owned by others. This condition cannot continue and the agricultural population of the country remain, as it has always been, the backbone of American citizenship. Nowhere is the problem of greater importance than in my own State and in my own congressional district.

The importance of tenancy in the Seventh Congressional District in Georgia varies considerably from county to county, but it is relatively important throughout the area. Only about one-third of the farmers are tenants in Dade County while almost three-fourths of them are tenants in Bartow and Polk Counties.

The following table indicates the importance of tenancy in the Seventh Congressional District in Georgia. It shows the number of owners and tenants and the percentage of tenancy by counties for 1935.

Counties	All farmers	Owners	Tenants	Percentage of tenancy
Bartow.....	2,373	710	1,655	69.7
Catoosa.....	1,182	571	610	51.6
Chattooga.....	1,450	512	930	64.1
Cobb.....	3,292	1,388	1,902	57.8
Dade.....	555	355	199	35.8
Douglas.....	1,423	539	884	62.1
Floyd.....	2,835	1,032	1,795	63.3
Gordon.....	2,632	936	1,693	64.3
Haralson.....	1,982	831	1,148	57.9
Murray.....	1,581	664	916	57.9
Paulding.....	2,088	860	1,227	58.8
Polk.....	1,933	590	1,338	69.2
Walker.....	2,616	1,402	1,203	46.0
Whitfield.....	2,081	984	1,044	51.4
Total.....	27,973	11,374	16,544	59.1

The following table shows the percentage of tenancy in the entire State of Georgia:

Year	Percentage of tenancy	Year	Percentage of tenancy
1880.....	44.9	1920.....	66.6
1890.....	53.5	1930.....	68.2
1900.....	59.9	1935.....	65.6
1910.....	65.6		

The increase in my State from 44.9 percent in 1880 to 65.6 percent in 1935 of farm tenancy should alarm every citizen who is really interested in agricultural welfare. It is with a grateful heart that I support the efforts now being made by this administration to at least make a start toward the solution of this problem.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman and colleagues, we have under consideration H. R. 7562, which purports to encourage and promote the ownership of farm homes, and for other purposes. I have enjoyed and feel that I have been greatly benefited by the speeches I have heard on this bill. Splendid speeches have been made by Mr. JONES, chairman of the Agriculture Committee; Mr. HOPE, the ranking Republican member; Mr. BANKHEAD, the Speaker of the House; Mr. WADSWORTH, of New York; Mr. LEMPKE, and others. All of these speeches have been free of partisan appeal and have been very informing.

The policy declared for in this bill—to make farm owners out of tenant farmers—is most appealing. Inasmuch as I was brought up as the son of a tenant farmer, it will be seen

at once how deeply interested and how sympathetic is my attitude toward this legislation.

The declared purpose is to aid the unfortunate and the meek and lowly. There are many wonderful men and women who, because the breaks were against them, have been forced to drag their lives out in poverty as tenant farmers. To my way of thinking, there is nothing that can add so much to create and maintain a fine, patriotic citizenship as for the citizens to own their own farms and homes.

According to the census reports, the total number of farms in the United States is 6,812,350. The average size of the farms is 154 acres, and the average value is a little less than \$5,000. There are 2,865,000 tenant farmers. It can be seen at once that almost half of the farms of the United States are being operated by tenant farmers or sharecroppers. The total farm population is approximately 32,000,000. Nearly 16,000,000 of these are made up of the tenant farmers and their families. It can be seen at once the bigness of the tenant-farm problem.

The platform of the Republican Party last year expressly declared in favor of farm-tenancy legislation, and the Democrats made similar promises. I am supporting this measure because of the principle involved and the policy declared.

LESS THAN A GESTURE

The thing that worries me, however, is the meager sum authorized to be appropriated. This bill carries no appropriation at all—it merely authorizes Congress in the future to appropriate \$10,000,000 for the fiscal year beginning July 1, 1937, \$25,000,000 for the fiscal year beginning July 1, 1938, and \$50,000,000 for the fiscal year beginning July 1, 1939. It authorizes the appropriation in all for the next 3 years of only \$85,000,000.

On first thought this appears to be a considerable sum, but if you should divide \$85,000,000 among 16,000,000 people it would allow to each one of them less than \$5.50, not taking anything out for overhead and the administration of the fund; or if you should divide it among a little less than 3,000,000 farm-tenant families it would give to each family less than \$30 over a period of 3 years, or an average of less than \$10 per year. It can be seen at once, so far as taking care of this big problem is concerned, this measure is less than a gesture.

There are approximately 3,300 counties in the United States. If we should divide the \$10,000,000 authorized to be appropriated for the fiscal year beginning July 1, 1937, and ending June 30, 1938, it would give in the neighborhood of \$3,000 of farm tenancy relief to each county in the United States. Of course, this bill sets up a new set of officeholders here in Washington and a committee consisting of three members in each county in the United States. It will add several thousand officeholders to the already overburdened taxpayers of the country, and if this group of officeholders handle these funds as other funds have been handled for the last few years, there will not be much left of the \$10,000,000 for the coming fiscal year with which to loan tenant farmers to buy farms.

It is assumed that on an average each farm will cost not less than \$3,000. If it costs as much as \$3,000, there could not be one farm bought on an average for one tenant farmer in each county, and therefore not more than one tenant farmer in each county, during the coming fiscal year, would have a chance to get one of these farms financed by the Government. That would mean one tenant farmer out of approximately 1,500 would have a chance to borrow part of this money and buy and equip a farm with it the first year, and the second year there would be on an average less than three farmers in each county that would have a chance to buy and equip a farm, and the third year there would not be over five farmers on an average to each county that would be able to borrow of this fund and buy and equip a farm; and for the 3 years there would be less than nine farmers on an average in each county in the United States that would be able to borrow of this fund to buy and equip a farm; or, in other words, if none of this money was eaten up by an

army of officeholders in the 3 years, these funds authorized in this bill would furnish \$3,000 to approximately 20,000 farm tenants and sharecroppers of the United States to buy and equip farms.

We must bear in mind, however, there are now 2,865,000 of such tenant farmers and sharecroppers. In other words, in this year, under this bill, if all the money was turned over for the purpose of loaning to tenant farmers and sharecroppers not less than \$3,000 each, it would only aid 1 out of every 143 tenant farmers and sharecroppers of the United States.

The Democrats promised the tenant farmers and sharecroppers that they were going to do something substantial for them. This bill, like other promises made by this administration during their campaign, proves that their platforms and campaign promises are made to run on.

Now let us see how this matter works out. Let us assume in Clay County, Ky., several hundred farm tenants make application for a loan under this bill. They must first find some fellow who is willing to sell his farm and get a title bond or some other written obligation from the owner of the land expressing the price to be paid. There will be a committee appointed by the authorities here in Washington for that county and every other county. The tenant farmers take their title bonds and turn them over to this county committee, and then this county committee goes out and examines these various tracts of land, and from all this number they could not select more than one for the coming fiscal year, and if they then approve one of the applications, this is sent to the Secretary of Agriculture at Washington, and he investigates the recommendation of the committee, and if he approves it, he will order an abstract of the title.

This whole procedure generally requires from 6 months to 2 years. It can be seen at once that perhaps not one tenant farmer, and it can be said without fear of successful contradiction, there will not be 200 tenant farmers in the United States in the next fiscal year that will have completed the transaction and be in possession of farms under this bill.

Yes; this bill is less than a gesture. It will be a great disappointment to the tenant farmers and sharecroppers of the Nation. I am supporting it because this is the only bill the administration has permitted to come up. I want my constituents and the country to know that I favor the policy of help to the worthy tenant farmers and sharecroppers who desire to improve their condition.

The Department of Agriculture will administer this bill. They have administered the resettlement law. They spent \$35,000,000 to resettle 3,500 families. This averaged \$10,000 per family. If the overhead in administering this measure is as high as in administering that, practically all of these funds will be swallowed up by overhead expenses.

To those who are sincerely interested in this problem this measure is a very grievous disappointment.

HIGH TAXES MAKING TENANT FARMERS

We have pointed out how few farm owners this legislation in its present form will make. The H. O. L. C. has been in operation for a comparatively short time. The Government has already foreclosed on 99,937 homes through loans made by that Corporation. More than 26 farms out of every thousand in this country changed hands in 1936 through foreclosures, bankruptcy, and delinquent tax sales. In other words, the owners of 178,483 farms, involving nearly 25,000,000 acres and with a value of more than \$860,000,000, changed hands in the year of 1936 on account of foreclosures, tax, and bankruptcy sales. It can be seen at once how inadequate the measure before us is. Under this bill we could not make more than 3,300 farm owners in the coming fiscal year, when, as a matter of fact, there will likely be sold through foreclosures, bankruptcy, and tax sales, more than 175,000 farms. It seems to me that we are saving at the spigot and losing at the bung hole.

I have before me a number of the weekly county newspapers of counties in my district. Page after page is filled with tax-sale advertisements of farms and homes for State,

county, city, and school taxes, several hundred in each county. And one of the editors comments on the fact that not a single owner was present to bid in his or her farm or home.

Of course, many of these are widows. People are becoming discouraged on account of the constant increase in taxes. The press announces that the State of Kentucky for State purposes will collect \$10,000,000 more this year than it ever collected in any other one year in its history. The Federal Government, the States, the counties, the cities, and the towns and other taxing districts continue to increase their taxes.

I pointed out the other day in a speech that approximately one-third of the income of the American people on the average was taken in taxes. I would not have any unit of the Government to neglect those things that are essential and necessary for the welfare of the people, but all units of the Government should avoid squandering and wasting the peoples' tax money.

Mr. ANDRESEN of Minnesota. Will the gentleman yield?

Mr. ROBSION of Kentucky. Not just now. We now have about 100,000 foreclosures of Government loans by the H. O. L. C., and I understand that before another year there will be, perhaps, 160,000 farm foreclosures by the Federal land banks and other credit agencies of the Government. We are making many times as many tenant farmers and tenant home owners as we can possibly make of farm and home owners under this bill. I now yield to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. The argument the gentleman just made would indicate that in many instances tenants are better off than the men owning farms. I think the gentleman is right.

Mr. ROBSION of Kentucky. The tax burden is being increased. Taxes are increasing more and more, and perhaps the farm owners and home owners are becoming discouraged in their efforts to hold their farms and their homes. Let us help to make farm owners out of tenant farmers, but at the same time let us help those who have farms to hold their farms and keep them from becoming tenant farmers. [Applause.]

Mr. DOXEY. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. WEARIN].

Mr. WEARIN. Mr. Chairman, at the time the Committee on Agriculture was discussing the subject of tenancy I submitted a statement that was included in the hearings. Later, I addressed the House at some length concerning pending legislation in that field. I have also discussed the question under various circumstances in many parts of the country. I make this statement in explanation of my interest in the matter for a long time past.

There is no question that the country is expecting this Congress to pass tenancy legislation of some sort. As I have stated before, I prefer to call it land purchase and resale legislation rather than tenancy legislation. I believe the psychological effect of the term is better.

Tomorrow at the appropriate time when the bill is being read under the 5-minute rule I expect to offer an amendment myself, which will involve a principle I feel is fundamental, and which has been demonstrated as being such in other countries where they have attempted to deal with this problem. My amendment will incorporate in the pending bill a provision whereby the Secretary of Agriculture shall receive the land now owned by the Federal land banks and shall resell such property to tenant purchasers on a long-term-contract basis. The amendment will not be long, nor will it be complicated. It can be printed on one typewritten page. It has been before this House for a long time, because I have written the various Members upon at least two different occasions on the subject, and have discussed it before the House upon at least one occasion. The principle thereof is incorporated in my bill H. R. 5239.

I simply take this opportunity of calling the attention of the membership to the fact that at the appropriate time the amendment will be placed before the House and I will attempt to discuss it as extensively as time will permit under the 5-minute rule.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. WEARIN. Yes.

Mr. ANDRESEN of Minnesota. Is the gentleman aware of the fact that the Federal land bank has in the past year sold two or three thousand farms to tenants in this country and has financed them?

Mr. WEARIN. I am fully aware of the fact the Federal land bank has sold a large number of farms to land purchasers who were financially able to buy them and to make down payments. However, I want to aid the tenants who are unable to qualify to that extent financially. They are the people who constitute the tenancy problem that we are trying to solve. [Applause.]

The amendment I propose to offer is as follows:

AMENDMENT TO TITLE IV, SECTION 41 (B)

(7) Acquire all real property in the United States that the Federal land banks now own outright without any redemption rights outstanding in former owners, which the said Federal land banks are hereby authorized and directed to transfer and convey to the Secretary of the Treasury, for which the said Federal land banks shall accept from the Secretary of the Treasury in exchange therefor Federal land bank stock of equal value. In the same manner the Secretary of Agriculture shall acquire within 6 months real property against which the Federal land banks at the time of the adoption of this act hold sheriff's certificates or judgments. For the purposes of such exchanges, the value of such real property shall be the "carrying value" as it appears on the books of the said Federal land banks on the last day of the month next preceding the adoption of this act; and the Federal land bank stock shall be valued at par. The Secretary of Agriculture shall acquire forthwith all real property so acquired by the Secretary of the Treasury: *Provided*, That the conveyance of such real property may be made under any procedure adopted by the Governor of the Farm Credit Administration, the Secretary of the Treasury, and the Secretary of Agriculture direct from the Federal land banks to the said Secretary of Agriculture without any intermediate transfer through the Secretary of the Treasury. The provisions of section 355 of the Revised Statutes as amended relating to restrictions on the acquisition of land by the United States shall not apply to such transfers and conveyances. The Secretary of Agriculture shall administer and dispose of such real property as hereinafter prescribed in this act.

Mr. DOXEY. Mr. Chairman, I yield the balance of my time to the distinguished gentleman from Alabama [Mr. SPARKMAN].

Mr. HOPE. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Alabama.

Mr. SPARKMAN. Mr. Chairman, for the first time since becoming a Member of this House I have asked for time to speak. I have done so now because the measure under consideration strikes so near to the heart of the district and section which I have the honor to represent and because it is of such importance to our entire Nation. I believe that no other legislation has had such a widespread demand. During the recent past the press everywhere has been pointing out the need for it. Editors and preachers, students and teachers, farm leaders, industrialists, businessmen—leaders in every walk and profession—sensing the great need have argued for it. The Nation-wide demand for farm-tenant legislation makes it imperative that this Congress enact it.

This great cry for farm-tenant legislation is not unnatural, artificial, or arbitrary. It is the natural outgrowth of land-tenure conditions that are approaching, if not already at, the danger point. I think it requires no argument to back up a statement that home ownership by farmers is highly desirable. Only in that way can we obtain stability of our social order. Widespread farm tenancy is always a threat—it is a cancer that slowly but surely eats into the vitals of a democracy and undermines its very life. It has reached that cancerous stage in the United States.

The farm census of 1935 showed that of the 2,865,000 tenant farmers of this Nation 34.2 percent of them were single year tenants. This means that in the State of Mississippi, which has the highest percentage of farm tenancy—70 percent—every year 24 percent of the people in the farm community move on to other farms. In my own State of Alabama with a 64.5 percent farm tenancy, 22 percent of the farmers change farms every year. And it means that in my own county of Madison—one of the greatest agricultural counties in the Southeast—where 72 percent of the

farms are run by tenants, one out of every four families in any farm community, assuming the average to hold, moves every year from farm to farm. The result is inevitable—run-down houses, ramshackle barns, broken-down fences, abused soil—erosion and waste of the worst kind. In this way our Nation is being despoiled of one of its greatest natural resources.

But as bad as are the erosion of the soil and the waste of the improvements, that is not the worst part of it. The worst feature lies in the lack of community consciousness and civic mindedness in the tenant himself. How can he feel any pride in his community—in its schools, its churches, its movements for community betterment? He cannot, nor can the community, hope for any permanence in any worthwhile program or stability in its institutions with one-fourth of its people moving every year and a great part of the others moving every 2 or 3 years.

From the farm census of 1935 we learned that there were 3,899,000 farm owners as compared with 2,865,000 farm tenants in the United States as a whole, or that a little more than 42 percent of our farmers were tenants, and that in the South, where tenancy ran highest, it reached 54 percent average, with the peak in Mississippi at 74 percent. In my own State, with an average of 64.5 percent, 13 counties have 75 percent or more of tenants. The percentage for Alabama, county by county, is shown by the following table:

	Number farms	Number tenants	Percent tenancy
Autauga	2,761	1,833	66.0
Baldwin	2,676	664	25.0
Barbour	3,691	2,785	75.0
Bibb	1,955	1,075	55.0
Blount	4,897	2,536	52.0
Bullock	3,100	2,574	83.0
Butler	3,857	2,540	64.0
Calhoun	3,289	2,054	62.0
Chambers	4,131	3,016	73.0
Cherokee	3,442	2,254	65.0
Chilton	3,978	2,237	56.0
Choctaw	3,104	1,825	59.0
Clarke	3,953	2,036	52.0
Clay	3,313	1,767	53.0
Cleburne	2,192	1,178	54.0
Coffee	4,273	3,170	74.0
Colbert	2,726	1,798	66.0
Conecuh	3,795	2,125	56.0
Coosa	1,998	1,127	56.0
Covington	4,218	2,623	62.0
Crenshaw	3,484	2,388	69.0
Cullman	7,376	3,737	51.0
Dale	2,946	1,844	63.0
Dallas	7,025	6,056	85.0
De Kalb	6,684	3,523	53.0
Elmore	4,549	2,925	64.0
Escambia	2,913	1,380	47.0
Etowah	4,182	2,455	59.0
Fayette	3,189	1,676	53.0
Franklin	3,741	2,179	58.0
Geneva	3,732	2,640	71.0
Greene	3,917	3,334	85.0
Hale	4,666	3,606	77.0
Henry	2,823	2,084	74.0
Houston	4,595	3,191	69.0
Jackson	5,517	3,250	59.0
Jefferson	6,491	3,349	52.0
Lamar	3,210	1,862	58.0
Lauderdale	5,170	3,180	61.0
Lawrence	4,855	3,408	70.0
Lee	3,301	2,440	74.0
Limestone	6,266	4,521	72.0
Lowndes	4,329	3,664	85.0
Macon	3,942	3,117	79.0
Madison	7,084	5,085	72.0
Marengo	6,412	4,986	78.0
Marion	4,345	2,436	56.0
Marshall	6,316	3,725	59.0
Mobile	1,905	450	24.0
Monroe	4,182	2,744	66.0
Montgomery	4,464	3,443	77.0
Morgan	4,912	2,996	61.0
Perry	4,394	3,378	77.0
Pickens	4,490	3,137	70.0
Pike	3,699	2,890	78.0
Randolph	4,138	2,258	55.0
Russell	3,168	2,402	76.0
St. Clair	3,612	2,141	59.0
Shelby	2,728	1,487	55.0
Sumter	4,697	3,796	81.0
Talladega	4,255	2,921	69.0
Tallapoosa	3,794	2,515	66.0
Tuscaloosa	6,297	3,102	50.0
Walker	4,700	2,035	43.0
Washington	1,580	549	35.0
Wilcox	4,554	3,644	80.0
Winston	2,554	1,166	46.0
Total	273,455	176,247	64.5

Mr. Chairman, I am proud of the district which I represent—the rich Tennessee Valley in north Alabama. It is composed of seven counties along the Tennessee River as it crosses Alabama—seven great agricultural counties with fertile soil and high production. But farm tenancy is a problem there as the following table shows:

County	Number farms	Number tenants	Percent tenancy
Colbert	2,726	1,798	66.0
Jackson	5,517	3,250	59.0
Lauderdale	5,170	3,180	61.0
Lawrence	4,855	3,408	70.0
Limestone	6,266	4,521	72.0
Madison	7,034	5,085	72.0
Morgan	4,912	2,996	61.0
Total	36,480	24,238	66.4

I submit, ladies and gentlemen, that such statistics indicate an alarming condition in our social order calling for remedial legislation. And it becomes even more alarming when we consider its growth. In 1880—the earliest date at which we have available information—the tenancy percentage was only 25.6. Today it is 42.1. How it has steadily increased is shown as follows:

Year	Percent tenancy
1880	25.6
1890	27.9
1900	35.3
1910	37.0
1920	38.1
1925	38.7
1930	42.4
1935	42.1

The problem as to the South cannot be explained away by the presence of the Negro, for from 1920 to 1935, while the number of Negro farm tenants in the Southern States decreased by 102,000, the white farm tenants during the same period increased by 148,000.

Mr. MAHON of Texas. Mr. Chairman, will the gentleman yield?

Mr. SPARKMAN. Yes.

Mr. MAHON of Texas. I may say on that point that less than 2 percent of the people in my district are Negroes and 61 percent of the farmers are tenants, which clearly shows this is not a Negro problem.

Mr. SPARKMAN. I thank the gentleman for his contribution.

We are all more or less familiar with the land-tenure problem that vexed Ireland for so long a time. We recall how in 1867 it led to an open revolt which, although a failure, forced England to the enactment in 1870 of a land law for Irish farm tenants. At that time 97 percent of the Irish farmers were tenants and only 3 percent were owners. Since the enactment of that farm-tenant measure for Ireland there has been a steady shifting of those figures until today the figures are exactly reversed, with 97 percent land owners and 3 percent tenants.

Many people feel and some of them have said that the present measure outlines a program entirely too modest—that it would be better to postpone its consideration until a more adequate program could be initiated. I for one should have preferred a larger authorization and a wider program. But I am convinced that we must make a start. This measure is a start in the right direction. Farm tenancy is a problem that cannot be worked out in a year or a few years, nor can it be cured or covered by a single law enacted by this Congress. It will call for a program involving experiments, changes, amendments, patience, and years of work. Again turning to Ireland, the one law of 1870 did not work out the problem. As I recall, a new law was passed a few years later—1881—and others followed in 1885, 1888, 1891, 1896, 1903, 1909, and 1935—a long, changing, growing program, but one that has proved effective. I believe that we can expect a similar development in this country. I believe that it is time to start.

Personally, I wish to congratulate the Agriculture Committee of this House for reporting this bill out—for giving us something to start on. It is not all that I should wish.

I should like to see under title I a proving period—a time for testing and selecting the new owners—supervising them to be sure that they might be capable of becoming an owner; also I should like to see a method of assuring protection from land speculators and from the vicissitudes of land booms and depressions. But as I study this bill, aside from the part dealing with submarginal lands, I believe it will do three things that are badly needed:

First. It will check that ever upward swinging curve of farm-tenancy increase.

Second. It will encourage and enable new farm ownership, instilling into such new owners a feeling of pride, a new feeling of ownership in the soil, in the community, in the social order, in the Government.

Third. It will rehabilitate and give security to the tenant, at the same time giving protection to the landlord and to that priceless natural resource—the soil itself. Many a landlord, himself hard pressed to maintain his farm, in an effort to get enough cash from the crops to support himself and his tenants, sees his soil being stripped, powerless to put into effect a program of rotation and soil building crops without turning away his tenants with no means of support. They have both become the victims of an economic condition from which they cannot escape by themselves. Rehabilitation will give relief to the landlord as well as to the tenant whom he is now carrying.

The program is not entirely untried and uncharted. The Resettlement Administration, during the last 2 years, has bought and placed tenants on nearly a thousand farms—experimenting with this same thing and testing the size and value of the economical farm unit. These experiments have been carried on in 10 Southern States. The table speaks for itself:

State	Number of farms	Average acreage per farm	Average price per farm	Average price per acre
Alabama	97	111.6	\$2,439	\$21.86
Arkansas	117	61.0	1,985	32.51
Georgia	115	104.8	2,067	19.72
Louisiana	94	62.3	2,311	37.10
Mississippi	143	51.9	2,026	39.01
North Carolina	103	76.7	2,882	37.58
Oklahoma	56	84.6	4,869	57.55
South Carolina	60	111.0	3,144	28.31
Tennessee	78	69.4	2,236	32.20
Texas	121	99.7	4,408	44.23
Total	984	81.4	2,723	33.46

A break-down of these experiments in the 18 counties of my own State where these farms were bought shows the following:

County	Number of farms	Average acreage per farm	Average price per farm	Average price per acre
Autauga	1	120.0	\$3,000.00	\$25.00
Blount	3	85.3	1,509.54	17.69
Butler	7	136.4	2,628.57	19.26
Calhoun	3	88.3	2,706.62	30.65
Chambers	2	58.0	915.98	15.79
Chilton	2	137.2	2,812.74	20.50
Coffee	5	100.0	3,300.00	33.00
Covington	6	120.0	2,125.20	17.71
Crenshaw	3	86.7	2,650.00	30.58
Cullman	6	62.6	2,065.25	33.00
Dale	5	89.3	3,572.00	40.00
Dallas	10	86.3	1,378.42	15.97
Lowndes	15	173.3	1,667.47	9.62
Madison	7	76.6	4,284.93	55.96
Morgan	1	60.0	2,175.00	36.25
Pickens	2	57.5	1,725.00	30.00
Tuscaloosa	14	127.1	2,757.33	21.69
Walker	3	116.0	2,914.12	25.12

Now, Mr. Chairman, speaking very briefly concerning the rehabilitation feature, I have seen this program as carried on by the Resettlement Administration at work and can testify as to its effectiveness. I have seen it actually bring new life and new hope to men whom the depression years had left floundering, helpless, and hopeless. I have seen them absolutely down and out, and I have then seen them

become again self-respecting, self-supporting citizens of their communities. A carefully planned rehabilitation program can be most effective. In Alabama, as well as elsewhere, the Resettlement Administration has done a great work in this field, and here and now I wish to compliment that agency for it. The following table speaks eloquently and convincingly:

Rural rehabilitation—Alabama

	1935	1936	1937
Case load	13,259	13,451	12,000
Average loan	\$225.00	\$186.00	\$235
Average cash farm income	\$91.00	\$226.27	\$460
Net worth	\$3.03	\$317.07	\$362
Clients having:			
Mules or mares	13.0	14.8	81.37
Steers	87.0	85.2	18.63
Milk cows	47.5	63.1	79.1
Hogs	61.1	77.5	83.3
Brood sows	19.2	22.5	42.1
Hens	79.1	90.9	95.6
Total net worth	\$40,174.77	\$3,043,557.77	\$4,344,000

¹ Estimated.

Total increase net worth from 1935 to 1937, \$4,303,825.23

I cannot add to the arguments presented by the above figures, but I do wish to call your attention to the increase in net worth of each family from \$3.03 to \$362 in a period of 2 years, and also to the almost complete reversal of percentage of those using mules and those using steers from 1935 to 1937. In 1935 only 13 percent owned mules with which to make their crops, the other 87 percent using steers. In 1937 we find over 81 percent using mules and less than 19 percent using steers. The number of milk cows increased from less than one to every two families to nearly four to every five families. The number having hogs increased more than a third; the number having brood sows more than doubled, while nearly every family now keeps poultry.

Someone might be interested to know that of the loans in Alabama during 1936 totaling \$2,501,955.71, the amount of \$1,646,887 has been collected, representing a percentage of 65.82 collected.

Under this program the United States Government has been doing a real rehabilitation work among the farmers. In a way it has been relief, but the cheapest relief that the Government could give. Far better than mere relief, however, has been the rebuilding of human character, initiative, and community interest.

In conclusion I wish to quote from an editorial by Mr. J. L. Meeks, appearing May 27, 1937, in the Tri-Cities Daily of Sheffield, Ala., one of the papers of which he is editor and publisher, as follows:

The rising percentage over a period of years of farm tenancy surely tells us that this is no sudden problem. It has been growing in intensity until today it has become a sore spot on the body politic. We should have started seeking a solution 30 years ago. We did not. Certainly we must do so now * * *. Almost any kind of an initial program will be better than nothing * * *.

A sound, well-administered program to break up the downward trend in farm-home ownership must become one of the principal proposals of the Federal Government in the near future or within a few more years, the present downward spiral continuing, we will become a nation of princes and paupers and a nation of aristocrats and peasants. And none of us want that to happen, what with European experiences fresh in our mind or now before it.

The present measure is a start. I view it as only the beginning. I am happy to speak and vote for it, feeling that as time and experience show its good points and its defects we shall work out and develop an adequate farm-tenant program. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Farm Security Act of 1937."

Mr. DOXEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. DRIVER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7562) to encourage and promote the ownership of farm homes and to make possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—MEXICAN CLAIMS COMMISSION

The SPEAKER laid before the House the following message from the President of the United States which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State recommending the enactment of legislation for the purposes described therein.

The recommendations of the Secretary of State have my approval, and I request the enactment of legislation for the purposes indicated, in order that the difficulty that has arisen in relation to the jurisdiction of the Special Mexican Claims Committee may be overcome.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, June 28, 1937.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—INTERNATIONAL LABOR ORGANIZATION

The SPEAKER laid before the House the following further message from the President of the United States which was read and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States of America:

The Congress, by a joint resolution approved June 19, 1934, authorized me to accept membership for the Government of the United States in the International Labor Organization. Pursuant to that authorization I accepted such membership on behalf of the Government of the United States.

Representatives of this Government and of American employers and American labor attended the Twentieth Session of the International Labor Conference, held at Geneva June 4 to 24, 1936.

That Conference adopted three draft conventions and two recommendations, to wit:

The Draft Convention (no. 50) concerning the regulation of certain special systems of recruiting workers.

The Recommendation (no. 46) concerning the progressive elimination of recruiting.

The Draft Convention (no. 51) concerning the reduction of hours of work on public works,

The Draft Convention (no. 52) concerning annual holidays with pay,

The Recommendation (no. 47) concerning annual holidays with pay.

In becoming a member of the organization and subscribing to its constitution this Government accepted the following undertaking in regard to such draft conventions and recommendations:

Each of the members undertakes that it will, within the period of 1 year at most from the closing of the session of the conference, or if it is impossible owing to exceptional circumstances to do so within the period of 1 year, then at the earliest practicable moment and in no case later than 18 months from the closing of the session of the conference bring the recommendation or draft convention before the authority or authorities within whose competence the matter lies, for the enactment of legislation or other action. (Art. 19 (405), par. 5, Constitution of the International Labor Organization.)

In the case of a federal state, the power of which to enter into conventions on labor matters is subject to limitations, it shall be in the discretion of that government to treat a draft convention to which such limitations apply as a recommendation only, and the provisions of this article with respect to recommendations shall apply in such case. (Art. 19 (405), par. 9, Constitution of the International Labor Organization.)

In accordance with the foregoing undertaking, the above-named three draft conventions and two recommendations are herewith submitted to the Congress with the accompanying report of the Secretary of State and its enclosures, to which the attention of the Congress is invited.

I wish particularly to call to the attention of the Congress the draft convention (no. 51) concerning the reduction of hours of work on public works, and recommend that action be taken by the Congress on this draft convention at its earliest convenience.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, June 28, 1937.

CONFERENCE REPORT ON THE RELIEF BILL

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a conference report on the relief bill.

Mr. TABER. Mr. Speaker, reserving the right to object, is it the intention of the gentleman to bring up the conference report the first thing in the morning?

Mr. WOODRUM. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

THE LATE HONORABLE JOHN W. FISHBURNE

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, it becomes my sad privilege and duty to announce the death of a former Member of this House from Virginia. The Honorable John W. Fishburne, of Charlottesville, Va., departed this life on the 25th instant. He was a Member of the Seventy-second Congress and served here with distinction. He is well known to many Members of the Seventy-fifth Congress who served with him in the Seventy-second Congress. He was beloved by them, and I know they will all join with me in mourning his departure.

EXTENSION OF REMARKS

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to include in an extension of my remarks certain tables referred to therein, and also a very short excerpt from an editorial relating to the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MAHON of Texas. Mr. Speaker, I ask unanimous consent to extend the remarks which I made today in discussing the rule on the pending bill and to insert in connection therewith certain amendments which I expect to offer to the bill when it is considered under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONTROL AND ERADICATION OF INSECT PESTS

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes in order that I may acquaint the House with an insect-pest emergency existing in the West.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

GRASSHOPPER PLAGUE IN THE WEST

Mr. MARTIN of Colorado. Mr. Speaker, on April 6, 1937, the President approved a joint resolution authorizing the

sum of \$2,000,000 to be made available annually for the purpose of control and eradication of insect pests. On April 27, 1937, the President approved a joint resolution, being House Joint Resolution 319, appropriating \$1,000,000 for this purpose. This appropriation has been completely exhausted, and now I am advised by agricultural extension agents that the grasshopper situation is getting out of control in the West.

The Senate has added an amendment to the work-relief bill, which included the eradication of insect pests and minor miscellaneous work projects, but that money will be available for labor only and not for poison mix.

To meet this situation, there being no money whatever available now, the \$1,000,000 having been expended, as a last resource today I introduced a resolution appropriating another \$1,000,000 for this very necessary work, and I sincerely hope that favorable action may immediately be had on the resolution.

In support of the resolution which I have just introduced, I may cite the fact, as stated in the Appropriations Committee report on H. J. Res. 319, that the authorization carried in the resolution of April 6, 1937, was based upon the Budget estimate theretofore submitted to Congress by the President, with his approval, and that the sum of \$2,000,000 recommended was solely for the control and eradication of grasshoppers. The joint resolution as passed included Mormon crickets and chinch bugs, but the point I make is that the Budget estimate was for grasshoppers only and it was estimated that \$2,000,000 would be required. One million dollars was appropriated. I regret very much indeed that recent developments have borne out the Budget estimate. The exhaustion of the \$1,000,000 in 60 days speaks for itself.

The Bureau of Entomology advises me that Arkansas, Oklahoma, Montana, Colorado, South Dakota, and Wyoming are badly infested and that North Dakota, Nebraska, and Kansas and other States are in line for invasion.

The agricultural-extension agent in Colorado wires me that 4,000 square miles in that State are badly infested and in a telegram dated June 26 he said they would take wing in about 10 days. He says, and I quote—

The situation is getting out of control because of inadequate supplies and is very discouraging to farmers who have fought so vigorously and effectively to date.

He fairly begs for additional mixture and the Bureau of Entomology says there is no money to furnish it. A farmer who is running a mixing station in the infested area graphically describes the situation as follows—

The 'hoppers are so thick that honestly the whole face of the earth seems to be moving when they are on the move.

And this means that they are only crawling at an estimated rate of 2½ miles per day. When they take wing there is no telling where they will go, so interest in the campaign of extermination is by no means limited to the present infested area, of which there is more than 4,000 square miles in southeastern Colorado, as against 700 square miles in any prior invasion.

The committee report accompanying House Joint Resolution 319 stated that "the campaign contemplates the States affected, the survey indicating possibility of parts of 24 States being involved." This robs the situation of the aspect of a merely local threat.

Mr. Speaker, I have contacted in the last 2 or 3 days every agency of relief with the result that apparently there is no relief except the appropriation of the additional \$1,000,000 recommended by the Director of the Budget, an amount which, expended at this time, may save several times that amount in crop losses, not only in the infested areas but in adjacent sections which will shortly be invaded unless these pests are exterminated on the ground. I strongly urge immediate and favorable consideration of my resolution, not on my account, but on account of the distressed farmers and communities which have lost so much through drought the past 4 or 5 years.

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend the remarks I made today with respect to H. R. 5860.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend the remarks I made this afternoon on the farm-tenancy bill and to include certain statistical tables.

The SPEAKER. Is there objection?

There was no objection.

Mr. WEARIN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an amendment I expect to offer tomorrow.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BUCKLER of Minnesota, on account of illness.

HOOR OF MEETING TOMORROW

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a. m. tomorrow.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. Is it contemplated that we go on with this bill at that time or take up a conference report?

Mr. RAYBURN. It had been the thought to take up the conference report, and that is the reason for asking that we meet at that hour.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. DOXEY. Mr. Speaker, during the course of the general debate on the bill this afternoon in Committee of the Whole, our beloved and distinguished Speaker in the course of his remarks referred to some statistics which he expected to place in the RECORD as a portion of his remarks. During my discussion of the same bill I referred to some statistics. I did not have time to go into the details, but stated that if they were the same statistics to which the Speaker referred I would not ask to have mine made a part of my remarks. The statistics I have in mind are a break-down of the tenancy problem with reference to various States, showing the number of farmers in each State, the number of tenants and owners, and so forth, which are different from those which the Speaker intends to include within his remarks. Therefore I ask unanimous consent to include in my remarks certain statistics. I understand the Speaker had in mind statistics in reference to regional matters.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred, as follows:

S. 2661. An act granting the consent of Congress to a compact entered into by the States of Maine and New Hampshire for the creation of the Maine-New Hampshire Interstate Bridge Authority; to the Committee on Interstate and Foreign Commerce.

S. 2662. An act authorizing the Maine-New Hampshire Interstate Bridge Authority to construct, maintain, and operate a toll bridge across the Piscataqua River at or near Portsmouth, State of New Hampshire; to the Committee on Interstate and Foreign Commerce.

S. 2681. An act to authorize the construction of the Colorado-Big Thompson project as a Federal reclamation project; to the Committee on Irrigation and Reclamation.

S. J. Res. 164. Joint resolution to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928, as amended; to the Committee on the Library.

ADJOURNMENT

Mr. DOXEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 52 minutes p. m.), in accordance with the order heretofore adopted, the House adjourned until tomorrow, Tuesday, June 29, 1937, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Washington, D. C., Tuesday, June 29, 1937, at 10 a. m., on H. R. 6039 and H. R. 7309, known as the "Fishery Credit Act" bills.

COMMITTEE ON MILITARY AFFAIRS

The Committee on Military Affairs will meet at 10:30 a. m., Tuesday, June 29, 1937, for the consideration of H. R. 7494, to amend the act entitled "An act to amend the act entitled 'An act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense and to the development of commercial aeronautics, and for other purposes.'"

COMMITTEE ON NAVAL AFFAIRS

Open hearing will be held before the full Committee on Naval Affairs at 10:30 a. m. on Tuesday, June 29, 1937, to consider H. R. 7216, assignment of officers for duty under the Department of Commerce. Important.

COMMITTEE ON THE DISPOSITION OF EXECUTIVE PAPERS

The Committee on the Disposition of Executive Papers will hold a public hearing in room 246, known as the Civil Service Committee room, in the House Office Building, at 10:30 a. m., Thursday, July 1, 1937, on H. R. 7504, to provide for the disposition of certain records of the United States Government.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Wednesday, July 7, 1937, at 10 a. m., on H. R. 7158, to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, July 7, 1937, on H. R. 5182 and H. R. 6917—textile bills.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation in room 128, House Office Building, at 10 a. m., Wednesday, June 30, 1937, for the consideration of S. 2681, to authorize the construction of the Grand Lake-Big Thompson Transmountain water-diversion project as a Federal reclamation project, and H. R. 7680, to authorize appropriations for the construction of the Arch Hurley Conservancy District in New Mexico.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

682. A letter from the Assistant Administrator, Federal Emergency Administration of Public Works, transmitting draft of a proposed bill for the relief of Virgil D. Alden; to the Committee on Claims.

683. A letter from the Acting Secretary of Commerce, transmitting draft of a proposed bill with reference to the exchange of two lighthouses in the Territory of Hawaii; to the Committee on Merchant Marine and Fisheries.

684. A communication from the President of the United States, transmitting draft of a proposed provision pertaining to an existing appropriation of the National Capital Park and Planning Commission for the fiscal year 1937 (H. Doc. No. 274); to the Committee on Appropriations.

685. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal year 1932 and prior years in the sum of \$756.61, and a supplemental estimate of appropriation for the fiscal years 1936-38 in the sum of \$85,000, amounting in all to \$85,756.61, and two drafts of proposed provisions pertaining to existing appropriations, for the Department of Justice (H. Doc. No. 273); to the Committee on Appropriations and ordered to be printed.

686. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated June 17, 1937, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Bayous La Loutre, Saint Malo, and Yscloskey, La., authorized by the River and Harbor Act approved August 30, 1935 (H. Doc. No. 275); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

687. A communication from the President of the United States, transmitting an estimate of appropriation for the Civilian Conservation Corps for the fiscal year 1938, amounting to \$350,000,000 (H. Doc. No. 276); to the Committee on Appropriations and ordered to be printed.

688. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the railroad retirement account, Railroad Retirement Board, amounting to \$99,830,000 (H. Doc. No. 277); to the Committee on Appropriations and ordered to be printed.

689. A letter from the Acting Secretary of the Interior, transmitting a copy of legislation passed by the Municipal Council of St. Thomas and St. John, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

690. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill to amend the Adjusted Compensation Payment Act, 1936, as amended; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HILL of Washington: Committee on the Public Lands. H. R. 3866. A bill to add certain lands to the Columbia National Forest in the State of Washington; with amendment (Rept. No. 1113). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 5593. A bill to provide for the addition or additions of certain lands to the Fort Donelson National Military Park in the State of Tennessee, and for other purposes; without amendment (Rept. No. 1114). Referred to the Committee of the Whole House on the state of the Union.

Mr. VOORHIS: Committee on the Public Lands. H. R. 5685. A bill to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest in the State of California; with amendment (Rept. No. 1115). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 7086. A bill to direct the Secretary of the Interior to notify the State of Virginia that the United States assumes police jurisdiction over the lands embraced within the Shenandoah National Park, and for other purposes; with amendment (Rept. No. 1116). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 7487. A bill to establish the San Juan National Monument, P. R., and for other purposes; without amendment (Rept.

No. 1117). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 7614. A bill to amend the act entitled "An act for the establishment of marine schools, and for other purposes", approved March 4, 1911; without amendment (Rept. No. 1118). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on the Public Lands. H. R. 7618. A bill relating to the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands situated in the State of Oregon; without amendment (Rept. 1119). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITTINGTON: Committee on Flood Control. H. R. 7646. A bill to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936; with amendment (Rept. No. 1120). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of Montana: Committee on Indian Affairs. S. 641. An act conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes; with amendment (Rept. No. 1121). Referred to the Committee of the Whole House on the state of the Union.

Mr. TOWEY: Committee on the Judiciary. H. R. 6283. A bill to increase the punishment of second, third, and subsequent offenders against the narcotic laws; with amendment (Rept. No. 1122). Referred to the House Calendar.

Mr. MOTT: Committee on the Public Lands. H. R. 2883. A bill granting a leave of absence to settlers of homestead lands during the year 1937; without amendment (Rept. No. 1123). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WOOD: Committee on War Claims. H. R. 3739. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.; without amendment (Rept. No. 1124). Referred to the Committee of the Whole House.

Mr. O'MALLEY: Committee on War Claims. S. 51. An act for the relief of Fred G. Clark Co.; without amendment (Rept. No. 1125). Referred to the Committee of the Whole House.

Mr. DEEN: Committee on War Claims. S. 1242. An act for the relief of Stanley A. Jerman, receiver for A. J. Peters Co., Inc.; without amendment (Rept. No. 1126). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEMPSEY: A bill (H. R. 7680) to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley conservancy district in New Mexico; to the Committee on Irrigation and Reclamation.

By Mr. ROBERTSON: A bill (H. R. 7681) to provide that the United States shall aid the States in wildlife-restoration projects, and for other purposes; to the Committee on Agriculture.

By Mr. COLDEN: A bill (H. R. 7682) to provide for making public certain statements with respect to income tax; to the Committee on Ways and Means.

By Mr. McFARLANE: A bill (H. R. 7683) with reference to the issuance of letters patent on inventions covering airplanes; to the Committee on Patents.

By Mr. MAGNUSON: A bill (H. R. 7684) to amend subsection (c) of section 8 of the act entitled "An act to amend the Judicial Code, and to further define the jurisdiction of the circuit court of appeals and of the Supreme Court, and for other purposes", approved February 13, 1925, as amended; to the Committee on the Judiciary.

By Mr. MEAD: A bill (H. R. 7685) to amend the Air Mail Act of 1934 to provide greater safety in the transportation of mail by air; to the Committee on the Post Office and Post Roads.

By Mr. O'TOOLE: A bill (H. R. 7686) to authorize the reinstatement of any veterans who were reduced or dismissed through the enactment of the Economy Act of 1933; to the Committee on the Civil Service.

By Mr. SHAFER of Michigan: A bill (H. R. 7687) to regulate shipment of alcoholic beverages into the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ENGLEBRIGHT: A bill (H. R. 7688) to authorize the addition of certain lands to the Modoc, Shasta, and Lassen National Forests, Calif.; to the Committee on the Public Lands.

Also, a bill (H. R. 7689) to authorize the addition of certain lands to the Shasta and Klamath National Forests, Calif.; to the Committee on the Public Lands.

Also, a bill (H. R. 7690) to authorize the addition of certain lands to the Plumas, Tahoe, and Lassen National Forests, Calif.; to the Committee on the Public Lands.

By Mr. DeMUTH: A bill (H. R. 7691) to encourage home ownership and make it secure, for the reduction of unemployment and the stimulating of business activity to reestablish American economic independence, and prevent the evils of tenancy as now prevails in farm and urban communities, to promote the health, the housing, and the social conditions, and the general welfare, and for other purposes; to the Committee on Banking and Currency.

By Mr. IGLESIAS: A bill (H. R. 7692) to authorize the Secretary of the Navy to transfer to the Government of Puerto Rico certain real estate of the Navy Department; to the Committee on Naval Affairs.

Also, a bill (H. R. 7693) to authorize the Secretary of War to transfer to the government of Puerto Rico certain real estate of the War Department; to the Committee on Military Affairs.

By Mr. HILL of Washington: A bill (H. R. 7694) to authorize postmasters and assistant postmasters to administer oaths in connection with certain immigration and naturalization documents; to the Committee on the Post Office and Post Roads.

By Mr. MOTT: A bill (H. R. 7695) to add certain lands to the Siuslaw National Forest in the State of Oregon; to the Committee on the Public Lands.

By Mr. PACE: A bill (H. R. 7696) to amend section 77 of the Judicial Code, as amended, to create a Fitzgerald division in the southern district of Georgia, with terms of court to be held at Fitzgerald, Ga., and for other purposes; to the Committee on the Judiciary.

By Mr. JONES: A bill (H. R. 7697) to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes; to the Committee on Agriculture.

By Mr. ELLENBOGEN: Resolution (H. Res. 266) to make H. R. 6092, a bill to amend the Home Owners' Loan Act of 1935, to reduce the rate of interest to 3½ percent, to extend the time of maturity to 25 years, and for other purposes, a special order of business; to the Committee on Rules.

By Mrs. ROGERS of Massachusetts: Joint resolution (H. J. Res. 430) consenting to an interstate compact relating to flood control in the Merrimack River Valley; to the Committee on Flood Control.

By Mr. MARTIN of Colorado: Joint resolution (H. J. Res. 431) making an appropriation for the control of outbreaks of insect pests; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GAMBRILL: A bill (H. R. 7698) for the relief of Charles W. Fields; to the Committee on Claims.

By Mr. KLOEB: A bill (H. R. 7699) granting a pension to Emma Hinton; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 7700) for the relief of Maurice Victor; to the Committee on Claims.

By Mr. MAAS: A bill (H. R. 7701) to authorize retirement annuity for Margaret L. Mullane, clerk, United States District Court, District of Minnesota; to the Committee on the Civil Service.

Mr. MILLER: A bill (H. R. 7702) for the relief of J. N. Sutherland, Lula E. Lucus, W. E. Cooper, J. D. Wallace, and J. F. Martin; to the Committee on Claims.

By Mr. O'TOOLE: A bill (H. R. 7703) for the relief of Bernard Rothstein; to the Committee on Naval Affairs.

By Mr. PACE: A bill (H. R. 7704) for the relief of Lucile Snider and Cliff Snider, Jr.; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 7705) for the relief of Susie R. Stone; to the Committee on Claims.

By Mr. WHELCHER: A bill (H. R. 7706) for the relief of Mrs. Earnest Smith and two small children; to the Committee on Claims.

Also, a bill (H. R. 7707) to honor the military service of Charles G. Clement; to the Committee on Military Affairs.

By Mr. WHITE of Ohio: A bill (H. R. 7708) for the relief of John and Irma Yedlick; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2777. By Mr. BIERMANN: Memorial of Iowa farmers assembled at Ames, Iowa, June 24, in reference to proposed farm legislation; to the Committee on Agriculture.

2778. By Mr. COFFEE of Washington: Petition in the nature of a letter of the Associated Clubs of the North End of Seattle and King County, Wash., Jennie L. Barnes, Seattle, Wash., secretary, pointing out the incomparable beauty of the great forests of the Olympic Peninsula of Washington, insisting that House bill 7086, Seventy-fourth Congress, is the only adequate bill to consider in the creation of the Mount Olympus National Park, deprecating the fact that the pending House bill 4724 has, for the sake of compromise, eliminated some of the most glorious parts of the forest area, and urging Congress to substitute House bill 7086, Seventy-fourth Congress, for House bill 4724 and forthwith enact the same in the interests of conservation; to the Committee on the Public Lands.

2779. By Mr. COLDEN: Senate Joint Resolution No. 25, relative to memorializing the President and the Congress of the United States to protect the rights of the State of California to its tidelands and the coastal area lying seaward of the State of California; to the Committee on Military Affairs.

2780. Also, resolution adopted by the International Labor Defense Convention in Washington, urging the repeal of criminal syndicalism, sedition, anarchy, insurrection, and related laws, and numerous statutes outlawing the main activities of trade-unions, etc.; to the Committee on Labor.

2781. Also, resolution adopted by the City Council of the City of Los Angeles, Calif., on June 18, 1937, opposing the adoption of the Byrnes amendment to the relief bill, which amendment provides that political subdivisions sponsoring Works Progress Administration projects must assume a 40-percent share of the expenditures therefor; to the Committee on Ways and Means.

2782. Also, resolution adopted by the Board of Supervisors of Los Angeles County, Calif., on June 18, 1937, opposing the adoption of an amendment to the relief bill providing that Federal contributions for relief be matched by the States, or political subdivisions thereof, in any proportion; and urging that the Federal Government again

assume full responsibility of transient unemployed and transient alien unemployed in the State of California; to the Committee on Ways and Means.

2783. By Mr. CURLEY: Petition of the division of relief of the department of public welfare, Minneapolis, Minn., urging enactment of Senate Joint Resolution No. 85; to the Committee on Labor.

2784. Also, petition of the Minneapolis Council of Social Agencies, Minneapolis, Minn., concerning Senate Joint Resolution No. 85; to the Committee on Labor.

2785. Also, petition of the National Food Brokers' Association, endorsing the Robinson-Patman bill as enacted, and opposing any legislation effecting changes in this legislation; also urging Congress to permit the Federal Trade Commission to issue rules, regulations, and interpretations with respect to laws under its jurisdiction in a manner similar to the practices of the Interstate Commerce Commission and similar governmental agencies so that delays resulting under the present procedure of investigations may be avoided; to the Committee on Interstate and Foreign Commerce.

2786. By Mr. FITZPATRICK: Petition of the American Labor Party of Bronx County, New York City, urging the passage of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2787. By Mr. FORD of California: Resolution of the City Council of Los Angeles, opposing the adoption of the Byrnes amendment to the relief appropriation bill of 1937-38; to the Committee on Ways and Means.

2788. Also, resolution of the Board of Supervisors of the County of Los Angeles, opposing any new contributions from California in carrying out unemployment relief that will be greater than those exacted from any other State when the full load of unemployment within States and its total cost is considered; to the Committee on Ways and Means.

2789. Also, resolution of the Senate and Assembly of the State of California, requesting that Senate bill 2164 be defeated; to the Committee on the Public Lands.

2790. By Mr. HILDEBRANDT: Petition of the Detroit Local, National Federation of Post Office Clerks, endorsing House bill 4647; to the Committee on the Post Office and Post Roads.

2791. By Mr. LUTHER A. JOHNSON: House concurrent resolution passed by the Legislature of Texas, urging passage of Senate bill 602, now pending before the Military Affairs Committee of the House; to the Committee on Military Affairs.

2792. Also, petition of Mr. Raphael Levine, of Corsicana, Tex., favoring House bill 7131, to establish an office of motion pictures in the Government Printing Office; to the Committee on Printing.

2793. Also, memorial of Cres W. Watson, of Park Minter Camp, No. 32, Spanish-American War Veterans, Abilene, Tex., favoring House bill 5030; to the Committee on Rules.

2794. By Mr. KEOGH: Petition of the New York Women's Trade Union League, New York City, concerning the Celler bill (H. R. 3408) to repeal section 213 of the Economy Act of 1932; to the Committee on the Civil Service.

2795. Also, petition of the Van Iderstine Co., Long Island City, N. Y., concerning the reduction of the existing import excise tax on whale oil; to the Committee on Ways and Means.

2796. Also, petition of Guild & Garrison, Brooklyn, N. Y., concerning sugar legislation in line with Secretary Wallace's recommendations; to the Committee on Agriculture.

2797. Also, petition of Federal Mill, Inc., Lockport, N. Y., concerning the Black-Connery labor bills; to the Committee on Labor.

2798. By Mr. PFEIFER: Petition of the New York Branch, National Customs Service Association, New York City, urging the enactment of the McCormack bill (H. R. 3); to the Committee on Ways and Means.

2799. Also, petition of the Brooklyn Chamber of Commerce, Brooklyn, N. Y., concerning the Black-Connery bills (S. 2475 and H. R. 7200); to the Committee on Labor.

2800. By Mr. PLUMLEY: Memorial of the Mill River Grange, No. 514, of East Wallingford, Vt., opposing the transfer of the Forest Service and other conservation activities out of the Department of Agriculture; to the Committee on Agriculture.

2801. Also, memorial of the Lamoille Grange, No. 233, having membership of 194, opposing transfer of the Forest Service and other conservation activities out of the Department of Agriculture; to the Committee on Agriculture.

2802. Also, petition of the Prospect Grange, No. 429, Fair Haven, Vt., opposing the removal of the Forest Service and other conservation activities from the Department of Agriculture; to the Joint Committee on Governmental Reorganization.

2803. By Mr. WELCH: Resolution relative to memorializing the President and the Congress of the United States to protect the right of the State of California to its tidelands and the coastal area lying seaward of the State of California; to the Committee on Military Affairs.

SENATE

TUESDAY, JUNE 29, 1937

(Legislative day of Tuesday, June 15, 1937)

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the legislative proceedings of Monday, June 28, 1937, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JOHNSON of Oklahoma, Mr. SCRUGHAM, Mr. O'NEAL of Kentucky, Mr. FITZPATRICK, Mr. LEAVY, Mr. RICH, and Mr. LAMBERTSON were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 5860) making further provision for the fisheries of Alaska, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 2291. An act to amend the act of May 25, 1933 (48 Stat. 73);

H. R. 6523. An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1938, and for other purposes;

H. R. 7206. An act to permit the temporary entry into the United States under certain conditions of alien participants and officials of the World Association of Girl Guides and Girl Scouts Silver Jubilee Camp to be held in the United States in 1937; and

H. J. Res. 375. Joint resolution to provide revenue, and for other purposes.

CALL OF THE ROLL

Mr. LEWIS. In order to assure the presence of a quorum, I ask for a roll call.

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Lee	Reynolds
Andrews	Connally	Lewis	Robinson
Ashurst	Copeland	Lodge	Russell
Austin	Davis	Logan	Schwartz
Bailey	Dieterich	Loneragan	Schwellenbach
Bankhead	Donahey	Lundeen	Sheppard
Barkley	Ellender	McAdoo	Shipstead
Berry	Frazier	McCarran	Smathers
Bilbo	George	McGill	Steiwer
Black	Gerry	McKellar	Thomas, Okla.
Bone	Green	McNary	Thomas, Utah
Borah	Guffey	Minton	Townsend
Bridges	Hale	Moore	Truman
Brown, N. H.	Harrison	Murray	Tydings
Bulkeley	Hatch	Neely	Vandenberg
Bulow	Hayden	Nye	Van Nuys
Burke	Hitchcock	O'Mahoney	Wagner
Byrd	Holt	Overton	Walsh
Byrnes	Hughes	Pepper	Wheeler
Capper	Johnson, Colo.	Pittman	White
Caraway	King	Pope	
Chavez	La Follette	Radcliffe	

Mr. LEWIS. I announce the absence of the Senator from Connecticut [Mr. MALONEY] because of illness.

The Senator from Michigan [Mr. BROWN], the Senator from Wisconsin [Mr. DUFFY], the senior Senator from Iowa [Mr. GILLETTE], and the junior Senator from Iowa [Mr. HERRING] are detained from the Senate on important public business.

The Senator from Virginia [Mr. GLASS] and the Senator from South Carolina [Mr. SMITH] are unavoidably detained.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is absent because of illness.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is necessarily absent.

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, a quorum is present.

INCLUSION OF CERTAIN POSITIONS WITHIN THE MERIT SYSTEM: SOCIAL SECURITY BOARD

The PRESIDING OFFICER. As in legislative session, the Chair lays before the Senate a communication from the President of the United States, which will be read.

The legislative clerk read as follows:

THE WHITE HOUSE,
Washington, June 28, 1937.

THE PRESIDENT OF THE SENATE.

SIR: In signing the independent offices appropriation bill for the fiscal year 1938, I note that the appropriation for the Social Security Board contains a provision requiring Presidential appointment and Senate confirmation of experts and attorneys receiving compensation of \$5,000 or more per annum.

I regret the inclusion of this provision in the bill. Aside from the hampering effect of the prohibition against receipt of compensation by such employees until confirmed by the Senate, particularly during periods when Congress is not in session, the method adopted for the selection of these employees seems to me unfortunate. In lieu of the present procedure for the appointment of these employees without regard to civil-service laws, I think it would have been preferable to bring the positions within the civil-service system. Under the reorganization of the work of the Civil Service Commission, as contemplated by the pending bill, S. 2700, it is expected that there would be developed improved methods for the examination and selection of such employees.

I am writing to express the hope that the Congress may see fit to enact legislation at an early date to place these positions under the merit system. I strongly recommend, as urged in my communication to the Congress of June 2, 1937, that all but policy-forming positions in the executive branch of the Government be included within the merit system.

Respectfully,

FRANKLIN D. ROOSEVELT.

The PRESIDING OFFICER. The communication will be referred to the Committee on Civil Service.

Mr. LA FOLLETTE. Mr. President, without desiring to question the right of the Chair to make appropriate reference of the communication, may I suggest that in view of